

DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

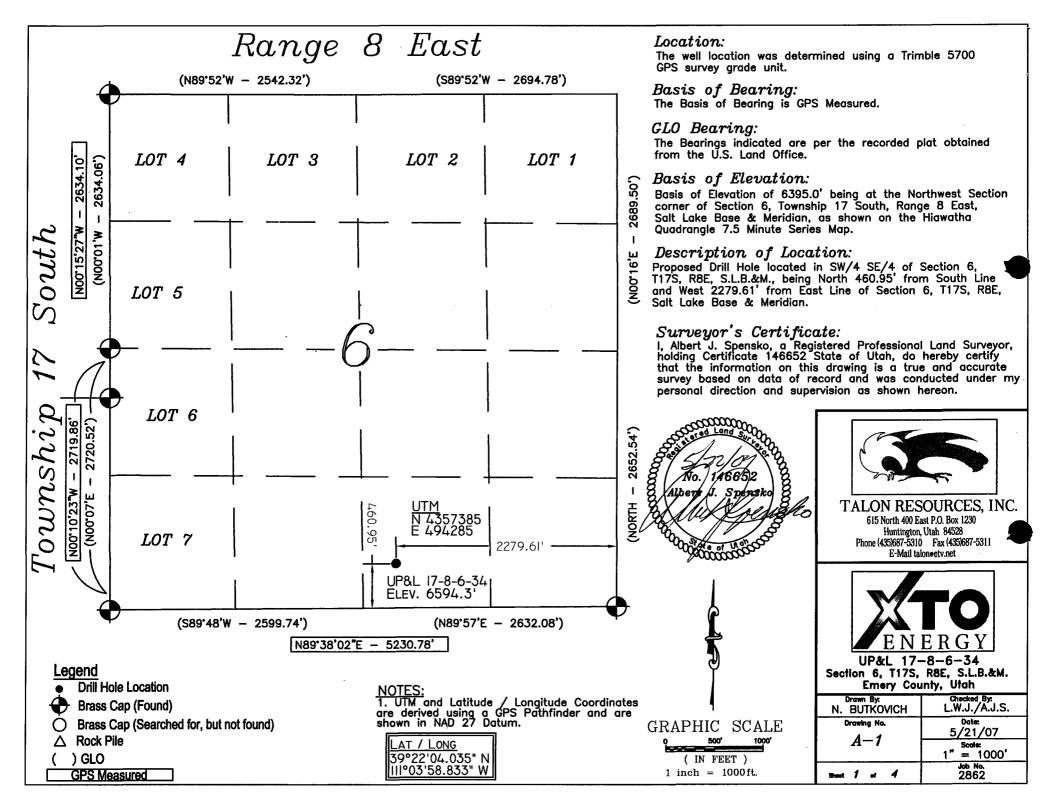
STATE OF UTAH

AMENDED REPORT (highlight changes)

| | • | ML-482 | 230 | Fee | | | | | | |
|--|---|--|---------------------------------------|--|---------------------|---|---------------------|-------------------------------------|-------------------|--|
| 1A. TYPE OF WO | RK: D | RILL 🗾 | REENTER | DEEPEN | | | 7. IF INDIA N/A | N, ALLOTTEE OR 7 | TRIBE NAME: | |
| B. TYPE OF WEL | ı: OIL 🗌 | gas 🗹 | OTHER | SING | SLE ZONE | MULTIPLE ZON | | CAAGREEMENTA Huntoult | | |
| 2. NAME OF OPE | | | 9. WELL N | AME and NUMBER | | | | | | |
| XTO Energy | | | | | | PHONE NUMBER: | | #17-8-6-34 AND POOL, OR WI | | |
| 2700 Farmi | ngton Ave. | _{CITY} Fam | | NM _{ZIP} 874 | | (505) 324-1090 | | Sandstone | 1 2700 | |
| 4. LOCATION OF | • | • | 494791 | ' X | 39.3 | 67843 | 11. QTR/Q MERIDI | TR, SECTION, TOV AN: | MNSHIP, RANGE, | |
| | 461' FSL x | SWSE | 6 175 | S 8E S | | | | | | |
| At surface: 461' FSL x 2280' FEL 494291 X 39.3 47843 At proposed producing zone: same 4357391 Y -1/1.0 46268 14. Distance in Miles and Direction from Nearest town or post office: 12. County: 13. State: | | | | | | | | | | |
| | | | st of Huntingtor | | | | Emery | | UTAH | |
| 15. DISTANCE TO | | | | 16. NUMBER O | FACRES IN LE | ASE: | | ACRES ASSIGNED | TO THIS WELL: | |
| 461' | | | | | | 393.10 | | | 160 | |
| | NEAREST WELL ON THIS LEASE | | IPLETED, OR | 19. PROPOSED | DEPTH: | | 20, BOND DESCR | | | |
| 2350' 21. ELEVATIONS | (SHC)M/MHETHE | P DE PT CP E | rc v | 22 ADDDOVINA | TE DATE WO | 4,090 | UTB-0001 | and the second second second second | | |
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| 24. | | | | D CASING A | ND CEME | NTING PROGRAM | | | | |
| SIZE OF HOLE | | | | SETTING DEPTH | | CEMENT TYPE, QU | | | | |
| 12.75" | 9.625" | J-55 | 36# | 300 | Type V | | +/- 142 sx | 1.61 ft3/s> | 14.2 ppg | |
| 8.75" | 5.5" | J-55 | 15.5# | 4,090 | CBM ligh | nt wt - lead | +/- 55 sx | 4.15 ft3/sx | 10.5 ppg | |
| | | ************************************** | | . // · · · · · · · · · · · · · · · · · · | CBM ligh | nt wt - tail | +/- 97 sx | 1.81 ft3/sx | 13.5 ppg | |
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| | | iii. | | | <u> </u> | | | | | |
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| 25. | | | | ATTA | CHMENTS | · ; | | | | |
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| EAIDEMC | E OF DIVISION C | P WATER RIGHT | S APPROVAL FOR USE | OF WATER | | ORM 5, IF OPERATOR IS PE | RSON OR COMPAN | IY OTHER THAN T | HE LEASE OWNER | |
| • | 12 1- 3 | | • | | | D . L | | | | |
| NAME (PLEASE PRINT) Kyla Vaughar () 1 / Regulatory Compliance Tech | | | | | | | | | - | |
| SIGNATURE TUDATE 7/23/2007 | | | | | | | | | | |
| (This space for Sta | to use only) | (| J | | | | | | | |
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| ADI BII BADITO AG | SKENET- | 43-615 | 131725 | l | Jtah Div | ision of | 1 | | | |
| ALI NUMBER AS | API NUMBER ASSIGNED: 43-615-36 7 25 Utah Division of Oil, Gas and Mining JUL 2 6 2007 | | | | | | | | | |
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(11/2001)

DIV. OF OIL, GAS & MINING



Application for Permit to Drill Surface Use Plan

Company:

XTO Energy, Inc

Well No:

UP&L 17-8-6-34

Location:

461' FSL & 2280' FEL, Section 6, T17S, R8E

Thirteen Point Surface Use Plan

The dirt contractor will be provided an approved copy of the surface use plan of operations before starting construction.

1. Existing Roads

- a. Proposed route to location: The proposed route to location is shown on Exhibit "A" and is from the Hiawatha Quadrangle 7.5 minute series USGS quadrangle map.
- b. Location of proposed well in relation to town or other reference point: From Huntington, Utah go West on Hwy 31 for 7.6 miles. Turn left on Deer Creek Mine Road and go South for 0.7 miles. Go East through contractors gate and continue 1.2 miles to "tee" intersection. Turn left towards refuse pile and go 0.4 miles to the "tee" intersection and turn right on well access road. Travel up dugway 0.9 miles to "tee" intersection and turn left. Go 0.1 miles and well location is 0.1 miles North and East.
- c. Contact the County Road Department for use of County Roads: No county road permits should be required.
- d. Plans for improvement and/or maintenance of existing roads: All existing roads within 1 mile of the drill site are shown on Exhibit "B". All roads that will be used to the well location will be maintained to their current conditions are better.
- e. Other Comments: None

2. Planned Access Roads

- a. Location of Access Road: Starting from a point along an existing road in the SE/4 of Section 6, T17S, R8E.
- b. Length of New Road: 775' of road will need to be constructed to access this location. See Exhibit "C".
- c. Length of Existing Road to Upgrade: No existing roads should need upgrades to access this location.
- d. Maximum Disturbed Width: Typically new access roads require up to 60' of disturbed width which includes ROW for gas and water pipe lines and electric service.

- e. Travel Width of Access Road: 25' or less.
- f. Maximum Grade after Construction: Maximum grades will not exceed 10% after construction.
- g. Turnouts Planned: No Turnouts are planned at this time.
- h. Surface Materials: Only native materials will be used if additional construction is required. If necessary, gravel or rock maybe purchased and used to improve road conditions and travel.
- i. Drainage (crowning, ditching, culverts, etc.): Roads will be re-crowned and bar ditches, if necessary, will be located on either side. 18"-24" culverts will be installed as necessary.
- j. Cattle Guards: No cattle guards are planned at this time. If necessary, cattle guards will be specified in the stipulations.
- k. Length of new and/or existing roads which lie outside the lease or unit boundary for which a BLM/State/Fee right of way is required: None.

1. Other:

- i. Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed must be approved by the State of Utah in Advance.
- ii. If a right-of-way is necessary, no surface disturbing activities shall take place on the subject right-of-way until the associated APD is approved. The holder will adhere to conditions of approval in the Surface Use Program of the approved APD, relevant to any right-of-way facilities.
- iii. If a right-of-way is secured, boundary adjustments in the lease or unit shall automatically amend this right-of-way to include that portion of the facility no longer contained within the lease or unit. In the event of an automatic amendment to this right-of-way grant, the prior on-lease/unit conditions of approval of this facility will not be affected even though they would now apply to facilities outside of the lease/unit as a result of the boundary adjustment. Rental fees, if appropriate, shall be recalculated based on the conditions of this grant and the regulations in effect at the time of an automatic amendment.
- iv. If at any time the facilities located on public lands authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change) the State of Utah will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental, or other financial obligations determined by the State of Utah.

v. If the well is not productive, the access road will be rehabilitated or brought to Resource (Class III) Road Standards within 60 days of dismantling the rig. If upgraded, the access road must be maintained at these standards until the well is properly abandoned. If this time frame cannot be met, the Field Office Manager will be notified so that temporary drainage control can be installed along the access road.

3. Location of Existing Wells:

a. On a map, show the location of all water, injection, disposal, producing and drilling wells within a one mile radius of the proposed well, and describe the status of each: See Exhibit "B"

4. Location of Production Facilities:

- a. On-Site facilities: Typical on-site facilities will consist of a wellhead, gas flow line, water flow line, artificial lifting system (pumping unit), 2 phase separator, gas measurement, water measurement, electronics, a heated enclosure/building for weather and environmental protection and chemical injection equipment (as required). All production and measurement shall conform to the provisions of 43 CFR § 3162.7 and Onshore Oil and Gas Order No. 4, if applicable.
- b. All permanent (in place for six months or longer) structures constructed or installed on the well site location will be painted a flat, non reflective color to match the standard environmental colors, as specified by the COA's in the APD. All facilities will be painted within six months of installation. Facilities required complying with the Occupational Safety and Health Act (OSHA) may be excluded.
- c. Off-site facilities: Off-site facilities are located at the CDP station and include compression, processing, separation, tanks, pits, electronics, and produced water disposal (SWD) well.
- d. Pipelines: The well will be produced into gas and water pipelines (sizes to be determined) and transported to existing pipelines. See Exhibit "C" for the proposed pipeline route.
- e. Power lines: Power lines are located underground in the same ROW as the water and gas pipelines.

5. Location and Type of Water Supply:

- a. All water required for drilling will be purchased from local municipal water supply. If possible, currently produced coal well water may also be used after receiving any necessary permits. Water will be trucked to location by a third party trucking company who specializes in water hauling.
- b. Water obtained on private land, or land administered by another agency, will require approval from the owner or agency for use of land.

6. Source of Construction Material:

- a. Pad construction material will be obtained from (if the source is Federally owned, show location on a map): All construction material will be purchased from private land owners or from a commercial gravel/materials pit. The use of materials will conform to 43 CFR § 3610.2-3, if applicable.
- b. The use of materials under State of Utah jurisdiction will conform to 43CFR § 3610.2-3, if applicable.

7. Methods of Handling Waste Disposal:

- a. Describe the methods and locations proposed for safe containment and disposal of waste material, e.g. cuttings, produced water, garbage, sewage, chemicals, etc. The reserve pit will be located along the edge and within the boundaries of the designated well pad. The walls of the pit will be sloped at no greater than 2 to 1 and will be lined with a synthetic material of approximately 12 mills in thickness. The reserve pit shall be located in cut material, with at least 50% of the pit volume being below original ground level. Three sides of the pit will be fenced before drilling starts. The forth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. The amount of time the pit way remain open will typically be specified by the COA's. Once dry, the liner will be cut and removed at the mud line and the pit will be covered and buried in place.
- b. Trash must be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than the completion of drilling operations.
- c. Sewage from trailers and chemical portable toilets will be removed on a regular basis by a third party contractor and disposed of at an authorized sanitary waste facility.
- d. Any and all chemicals used during the drilling and completion of the well will be kept to a minimum and stored within the boundaries of the well pad. The third party chemical contractor will be responsible for containment and clean-up and removal of all spilled chemicals on location.

8. Ancillary Facilities:

a. No ancillary facilities will be required during the drilling or completion of the well.

9. Well Site Layout:

- a. Depict the pit, rig, cut and fill, topsoil, etc. on a plat with a scale of at least 1"=50'. See Exhibit "D" & "E".
- b. All equipment and vehicles that will be used to drill and complete this well will remain within the boundaries of the approved well pad. Any equipment and or vehicles parked or stored off the location will be considered trespassing on federal lands and will NOT be tolerated.

c. Materials obtained from the construction of the location, like topsoil and vegetation will be stock piled as indicated and permitted by the approved APD. The stock piles themselves may be outside the approved boundaries of the well pad.

10. Plans for Restoration of the Surface:

- a. The top 6 inches of topsoil material will be removed from the location and stockpiled separately on Adjacent Land or as specified by the approved APD.
- b. Topsoil along the access road will be reserved in place adjacent to the road.
- c. Within 30-45 days after completion of well, all equipment that is not necessary for production shall be removed.
- d. The reserve pit and that portion of the location not needed for production will be reclaimed 90-120 days after completion of the well.
- e. Before any dirt work to restore the location takes place, the reserve pit must be ready for burial.
- f. All road surfacing will be removed prior to the rehabilitation of roads.
- g. Reclaimed roads will have the berms and cuts reduced and will be closed to vehicle use.
- h. All disturbed areas will be re-contoured to replicate the natural slope.
- i. The stockpiled topsoil will be evenly distributed over the disturbed area.
- j. Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface.
- k. Seed will broadcast or drilled between September and November, or at a time specified by the BLM and or state. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage.
- 1. The following seed mixture will be used: As specified conditions of approval.
- m. If necessary, and abandonment marker will be one of the following, as specified by the State of Utah:
 - i. At least four feet above ground level,
 - ii. At restored ground level, or
 - iii. Below ground level.
 - iv. In any case the marker shall be inscribed with the following: operator name, lease number, well name and description (township, section, range, and either quarter-quarter or footages).
- n. Additional requirements: None

11. Surface and Mineral Ownership:

The Surface is owned by UP&L, PacificCorp d/b/a Utah Power & Light compnay, 1407 West North Temple, Suite 110, Salt Lake City, Utah, 84116. The minerals are leased by XTO Energy from the State of Utah. See attached Surface Use Agreement. See Exhibit "F".

12. Other Information:

- a. Archeological Concerns: An approved contractor will submit the appropriate reports to the agency as required. Special stipulations will be included in the COA's of the approved APD.
- b. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the State of Utah Field Office. Within five (5) working days, the State of Utah will inform the operator as to:
 - i. Weather the materials appear eligible for the National Register of Historic Places:
 - ii. The mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
 - iii. A time frame for the State of Utah to complete an expedited review under 36 CFR § 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the State of Utah are correct and that mitigation is appropriate.
- c. If the operator wishes, at any time, to relocate activities to avoid the expenses of mitigation and/or the delays associated with this process, the State will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The State of Utah will provide technical and procedural guidelines for the conduct of mitigation. Upon Verification from the State of Utah that the required mitigation has been completed, the operator will then be allowed to resume construction.
- d. Threatened and Endangered Species Concerns:
 - i. An approved contractor will submit the appropriate reports as required. Special Stipulations will be included in the COA's of the approved APD.
- e. Wildlife Seasonal Restrictions: Current wildlife restrictions and closure dates are specified in the BLM's Environment Impact Statement.
- 13. The Drilling Program is attached: See Exhibit "G".

Operator Certification:

a. Permitting and Compliance:

Kyla Vaughan Regulatory Compliance XTO Energy Inc. 2700 Farmington Avenue, Bldg K, Ste 1 Farmington, NM 87401 505-324-1090

b. Drilling and Completions:

John Egelston XTO Energy Inc. 2700 Farmington Avenue, Bldg K, Ste 1 Farmington, NM 87401 505-324-1090

c. Certification:

I herby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be preformed by XTO Energy Inc. and its contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify responsibility for the operations conducted on that portion of the leased lands associated with this application, with bond coverage being provided by XTO Energy Inc. This statement is subject to provisions of 18 U.S.C. § 1001 for the filing of a false statement.

Signature

Cyla Vaughan



JUL 1 7 2007

LAND DEPARTMENT

1407 West North Temple, Suite 110 Salt Lake City, Utah 84116 (801) 220-2516 Office (801) 971-1077 Cellular (801) 220-4373 Fax

July 5, 2007

Mr. Ryan O'Kelley Associate Landman XTO Energy Inc. 810 Houston Street Fort Worth, TX 76102

Re:

Amendment No. 3 to the Non-Exclusive Surface Use Agreement Between PacifiCorp and XTO Energy Inc.

Dear Mr. O'Kelley:

utility corridor segments described in Attachment B.

XTO Energy Inc. ("XTO") and PacifiCorp have entered into a master Non-Exclusive Surface Use Agreement dated August 19, 2003 (the "Master Agreement"), which governs all surface facilities associated with XTO oil & gas exploration and production on lands owned by PacifiCorp in Emery County, Utah. The Master Agreement provides that new surface facilities be added to the terms of the Master Agreement by amending Attachment B and Attachment D thereto. Therefore, in order to add new surface facilities to the terms of the Master Agreement, I have enclosed Amendment 3 to Attachment B of the Master Agreement and Amendment 3 to Attachment D of the Master Agreement. As you know, Attachment B includes all legal descriptions for well pads, road segments, pipelines, powerlines and utility corridors located on PacifiCorp property that is covered by the Master Agreement. Attachment D includes a breakdown of the annual payment calculations for all road/

If you are in agreement with the terms of the Master Agreement, as amended by the new Attachment B and Attachment D included with this letter, please have an authorized representative of your company sign on the line provided at the bottom of this letter. Upon due execution of this letter, the Master Agreement shall be amended by deleting the existing Attachment B and Attachment D thereto, and by inserting Attachment B and Attachment D included with this letter (each of which is designated as "Amendment 3") in lieu thereof. Also, as compensation for the new surface facilities, by signing below, XTO Energy Inc. agrees to send to PacifiCorp a check in the amount of within thirty days of the date of this letter, as the one-time payment for the additional facilities located on PacifiCorp property required by Attachment A of the Master Agreement. The new annual payment schedule is outlined in Attachment D.

If you have any questions, please call me at (801) 220-2516 or (801) 971-1077.

Brian Young Property Agent Enclosure(s)

XTO Energy Inc. and PacifiCorp do hereby amend the Master Agreement in the manner set forth in this letter.

XTO Energy Inc.

7/13/07

Date

PacifiCorp

Date

XTO Energy, Inc.

UP&L 17-8-6-34 Drilling Data for APD July 23, 2007

Surface Location:

461' FSL & 2280' FEL, Sec. 6, T17S, R8E

Proposed TD: 4090'

Objective: Ferron Coal KB Elevation: 6606'

Approximate Elevation: 6594'

1. Mud Program:

| Interval | 0'-300' | 300'-4090' | | |
|------------|----------------------|-----------------------|--|--|
| Hole Size | 12.75" | 8.75" | | |
| Mud Type | Fresh Water/Spud Mud | Air/LSND/Gel Chemical | | |
| Weight | N/A | 8.4-8.6 | | |
| Viscosity | N/A | 45-60 | | |
| Water Loss | N/A | 8-10 | | |

- a. Drill surface with Fresh Water/Spud Mud. If aeration becomes necessary, nipple up 20" rotating head.
- b. Air drill to TD using produced water for mist fluid unless excessive water flow is encountered then switch to water based mud. If mud is required, use fibrous materials as needed to control seepage and lost circulation. Pump high viscosity sweeps as needed for hole cleaning. Raise viscosity at TD for logging. Reduce viscosity after logging for cementing.
- c. The blooie line will be approximately 100' in length and will extend in a straight line from below the rotating head as indicated in the BOP schematic. An automatic spark-type igniter will be fixed to the end of the blooie line and set to provide a continuous spark to ignite and burn any produced hydrocarbons and/or gasses.
- d. If necessary, de-dusting will be accomplished with a small pump, waterline, and spray nipple positioned near the end of the blooie line to provide a continuous spray of water.
- e. Sufficient mud materials will be stored on location to maintain well control and combat lost circulation problems that might reasonably be expected.
- f. The BOP system will be consistent with API RP53 and Onshore Oil & Gas Order No. 2. Pressure tests of the surface casing and all BOP equipment subject to pressure will be conducted before drilling the casing shoe. Blowout preventer controls will be installed prior to drilling the surface casing shoe and will remain

in use until the well is completed or abandoned. Ram preventers shall be inspected and operated daily. Annular preventers shall be inspected an operated weekly to ensure good mechanical working order. The inspections and tests shall be recorded in the drilling log and daily drilling report. See the attached BOP and choke manifold schematic.

2. Casing Program:

a. Surface Casing set @ 300' in a 12.75" hole.

| 9.625,36 #/ft, J-55, ST&C, New, (8.921" ID, 8.765" Drift) | | | | | | | | | |
|--|-------|----------|----------|----------|---------|--|--|--|--|
| Collapse | Burst | Joint | SF | SF Burst | SF | | | | |
| Press | Press | Strength | Collapse | | Tension | | | | |
| 2020 | 3520 | 394 | 15.060 | 26.240 | 36.480 | | | | |

b. Production Casing set @ 4090' in a 8.75" hole.

| 5.5", 15.5 #/ft, J-55, ST&C, New, (4.950" I.D., 4.825" Drift) | | | | | | | | | |
|---|-------|----------|----------|----------|---------|--|--|--|--|
| Collapse | Burst | Joint | SF | SF Burst | SF | | | | |
| Press | Press | Strength | Collapse | | Tension | | | | |
| 4040 | 4810 | 202 | 2.210 | 2.630 | 3.190 | | | | |

Safety Factors based on vertical wellbore conditions with hydrostatic of fresh water with no backup used to calculate burst and collapse. Tension based on hanging weight in air.

3. Well Heads:

- a. Casing Head: Install WHI Fig 92 (or equivalent), 10-3/4" x 5-1/2" slip and seal, 2,000 psig WP (4,000 psig test) with 10-3/4" 8rd on bottom & 11-3/4" modified" 8rnd thread on top. NU BOP and choke manifold (see attached schematic). Stack to consist of drilling spool with choke and kill lines, double rams with pipe rams on top, blind rams on bottom. Use cold water and test BOP to 250 psi low and 1,000 psi high. Record all tests on the IADC report. Inspect accumulator and closing unit to ensure that pre-charge pressures and oil levels are within API Specifications and report same on IADC report.
- b. Tubing Head: Larkin Fig 612 (or equivalent), 5,000 psig WP (5,000 psig test), 5 ½" SOW (or API 8 rnd female thread) on bottom, 7 ½" 5,000 psig flange on top with two 3" LPOs.

4. Cement Program:

a. Surface: 142 sx of Type V cement (or equivalent) containing 1% CaCl, ¼ pps Flocele, and 10% Cal Seal mixed at 14.2 ppg and 1.61 ft³/sk.



i. Slurry Volume is 114 ft³, 200% excess of calculated annular volume to 300'.

b. Production:

- i. The production casing will be cemented using 2 (lead and tail) cement slurries. The lead cement (filler grade) volume will be calculated based on a maximum achievable top assuming formation pressure of 1,000 psi at the shoe. The tail cement will be calculated from TD to 300' above the Upper Ferron Sandstone as indicated on the formation tops table.
- ii. Lead Cement: 55 sx of CBM Light Weight Cement with 10 pps Gilsonite and ½ pps celloflake mixed at 10.5 ppg and 4.15 ft³/sk.
- iii. Tail Cement: 97 sx of CBM Light Weight Cement with 10 pps Gilsonite and ½ pps celloflake mixed at 13.5 ppg and 1.81 ft³/sk.
- iv. Slurry volume is 400 ft³, 40% excess of calculated annular volume to 1,000 psi hydrostatic over formation pressure.

5. Logging Program

- a. Mud logger: The mud logger will come on after surface pipe is set and will remain until TD. The mud will be logged in 10' intervals.
- b. Run Array Induction (if wet), compensated neutron, density, GR, caliper, SP (if wet), and Pe from TD to the bottom of the surface casing.

6. Formation Tops:

| Formation | Well Depth | | | | |
|------------------------|------------|--|--|--|--|
| Top of Upper Ferron SS | 3630 | | | | |
| Top of Coal Zone | 3660 | | | | |
| Top of Lower Ferron SS | 3790 | | | | |
| Total Depth | 4090 | | | | |

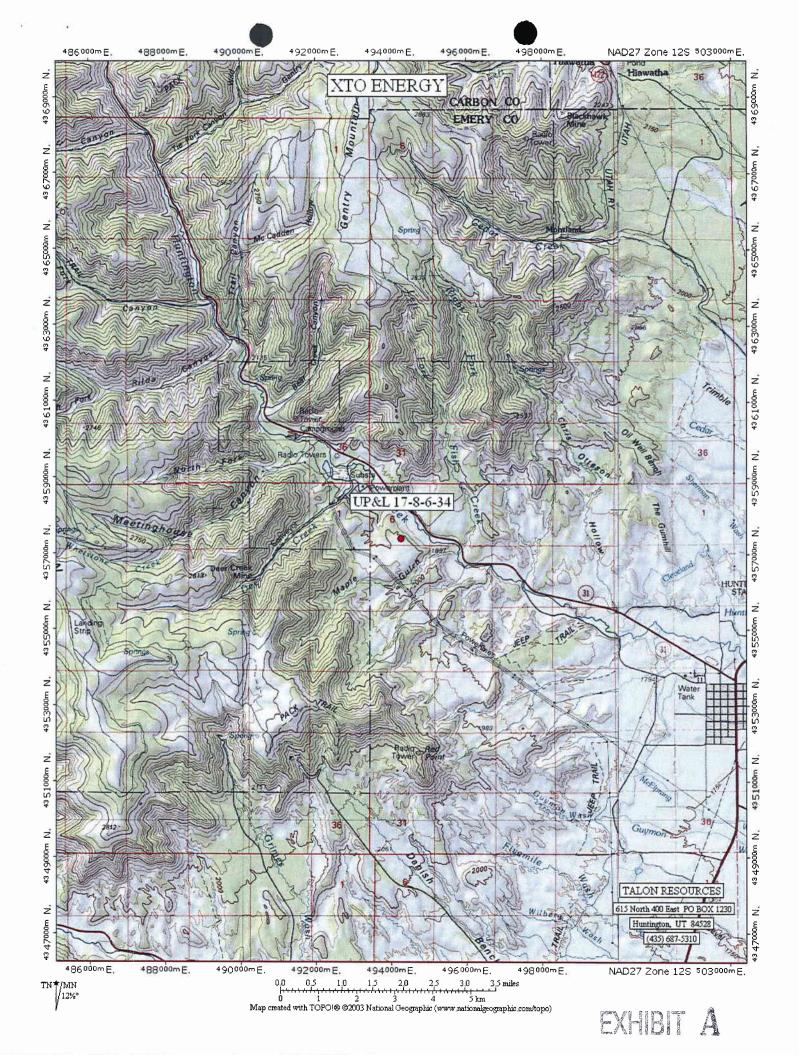
- a. No known oil zones will be penetrated.
- b. Gas bearing sandstones and coals will be penetrated from 3630' to 4090'.
- c. No known fresh water zones will be penetrated. The gas bearing sandstones and coals may contain in-situ water.
- d. No known mineral zones will be penetrated.

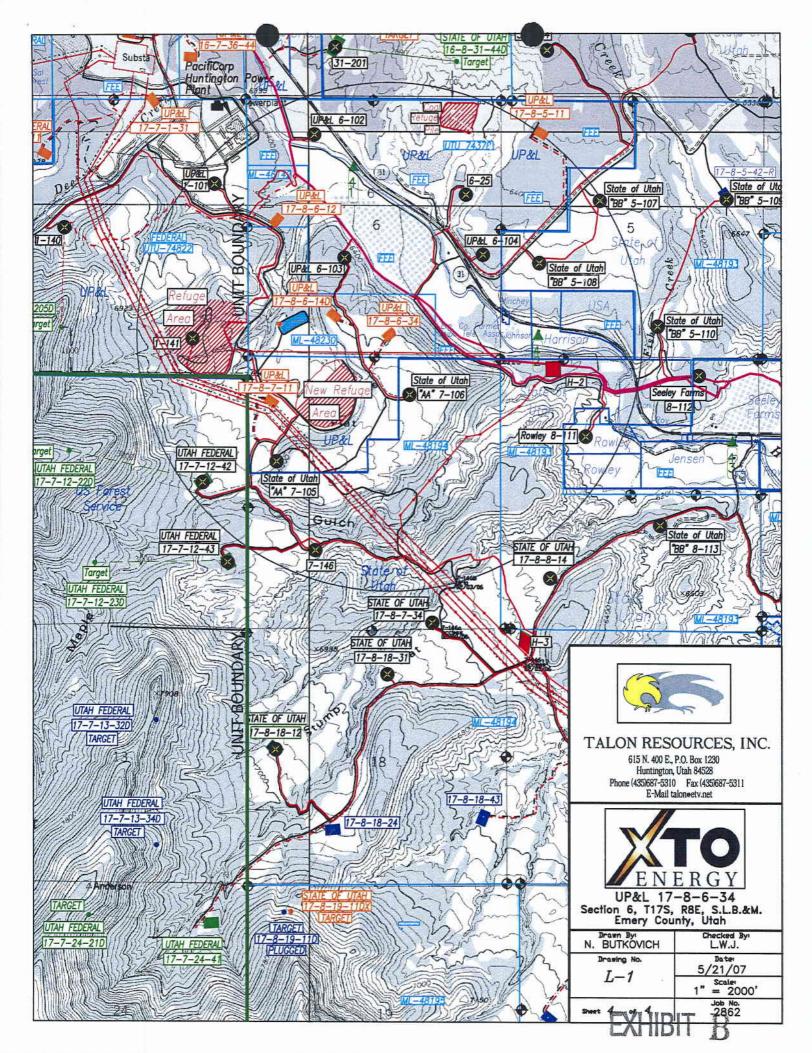


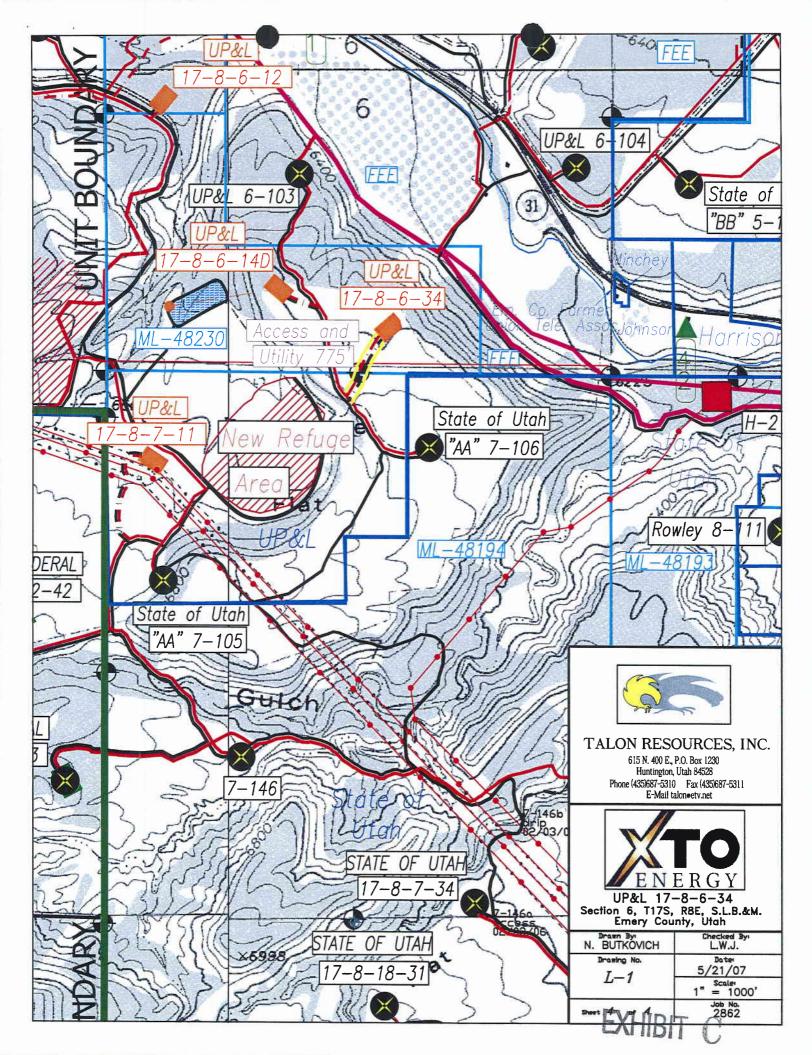
- e. Any prospectively valuable minerals and all fresh water zones encountered during drill will be recorded, cased, and cemented. If possible, water flow rates will be measured and samples will be taken and analyzed with the results being submitted to the appropriate agency.
- f. Maximum anticipated bottomhole pressure is anticipated to be less than 1,500 psi.
- g. No abnormal pressure, abnormal temperature, H2S, or other hazardous conditions are known to exist.

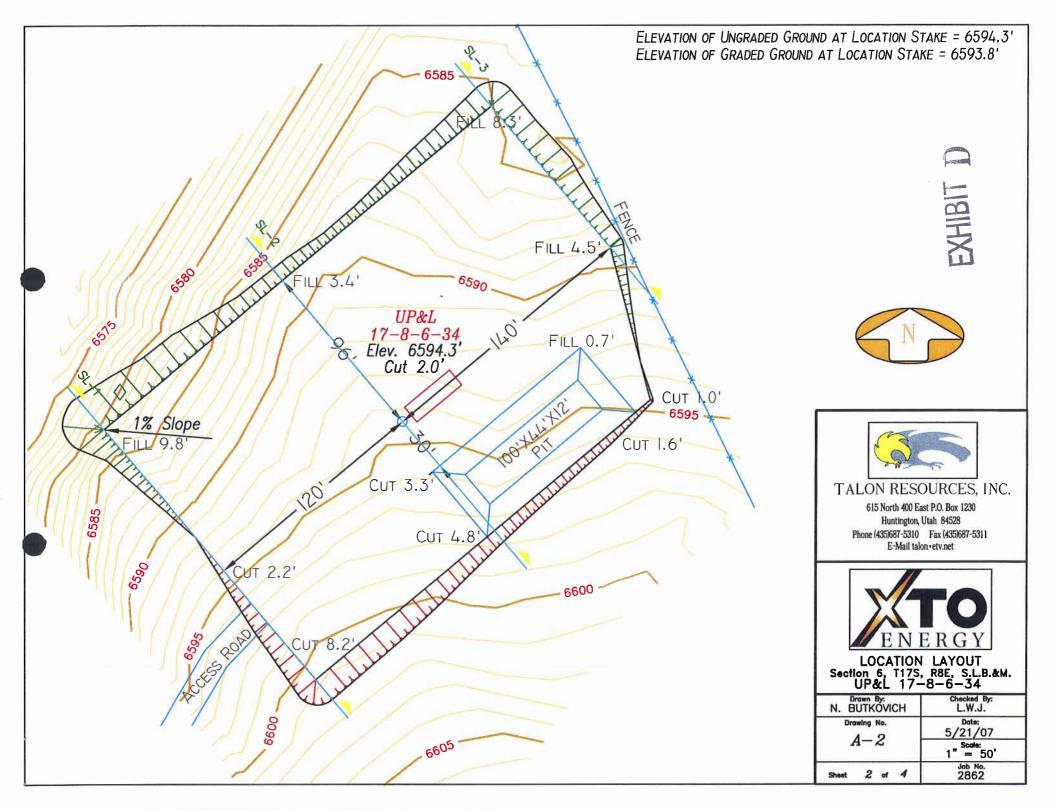
7. Company Personnel:

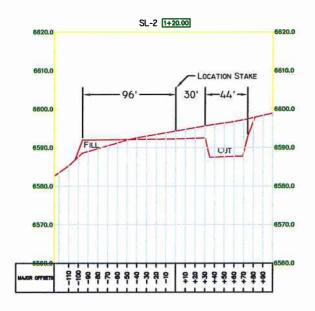
| Name | Title | Office Phone | Mobile Phone | | |
|---------------|-------------------------|--------------|---------------------|--|--|
| John Egelston | Drilling Engineer | 505.564.6734 | 505.330.6902 | | |
| Jerry Lacy | Drilling Superintendent | 505.566.7914 | 505.320.6543 | | |
| Joshua Stark | Project Geologist | 817.885.2240 | 817.565.7158 | | |
| Leonard West | Reservoir Engineer | 817.885.2800 | | | |

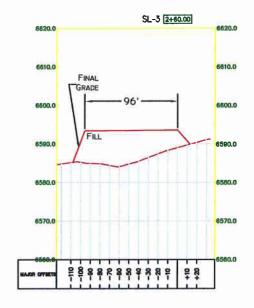






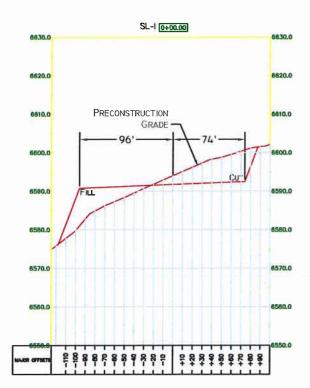












SLOPE = | 1/2 : | (EXCEPT PIT) PIT SLOPE = | ; |

APPROXIMATE YARDAGES

(6")TOPSOIL STRIPPING = 820 CU. YDS.

TOTAL CUT (INCLUDING PIT) = 3,825 CU. YDS.

TOTAL FILL = 3,520 CU. YDS.



615 North 400 East P.O. Box 1230 Huntington, Utah 84528 Phone (435)687-5310 Fax (435)687-5311 E-Mail talon etv.net



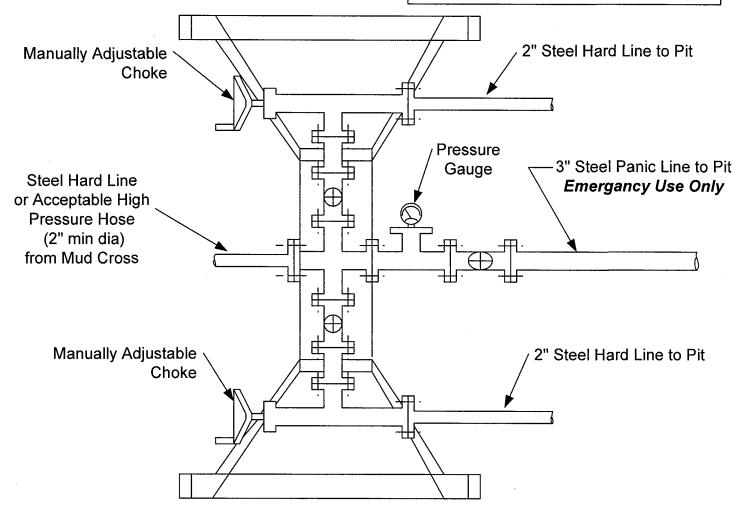
TYPICAL CROSS SECTION
Section 6, T175, R8E, S.L.B.&M.
UP&L 17-8-6-34

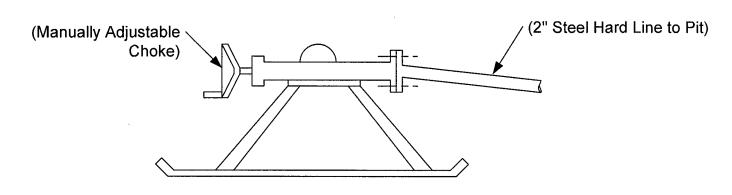
| N. BUTKOVICH | Checked By: L.W.J. Date: 5/21/07 | | | |
|--------------|---|--|--|--|
| Drawing No. | | | | |
| C-1 | 1" = 100' | | | |
| Sheet 3 of 4 | Jeb No. 2862 | | | |

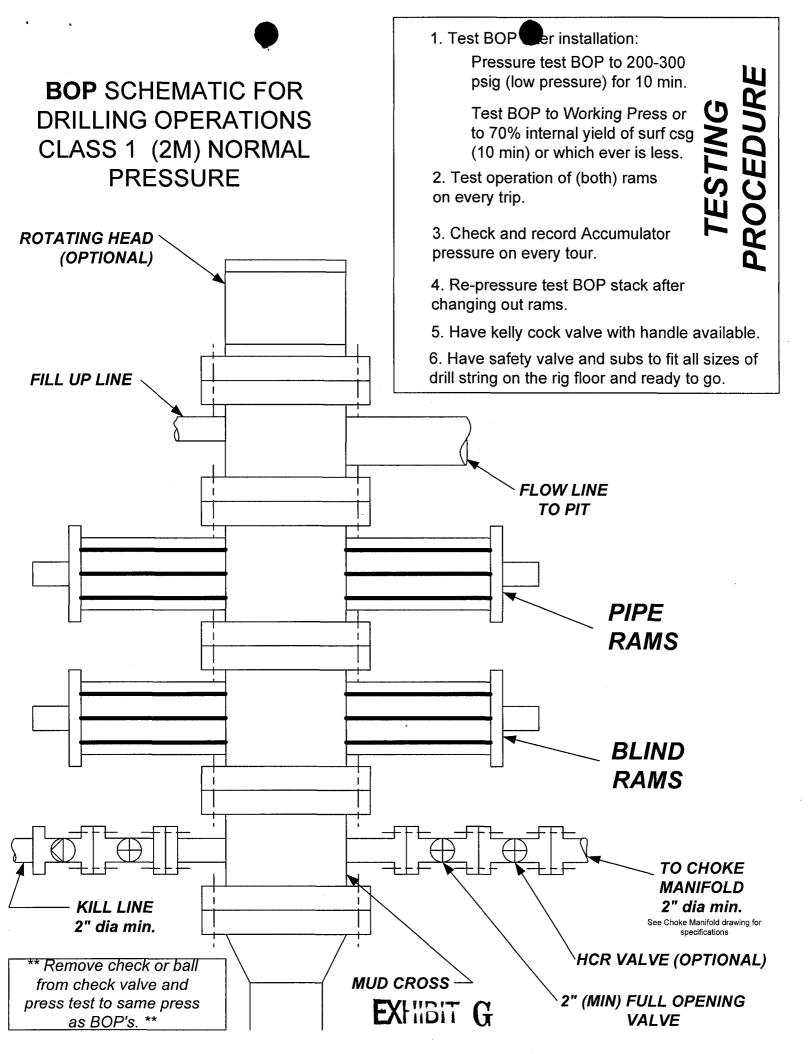
CHOKE MANIFOLD SCHEMATIC FOR DRILLING OPERATIONS CLASS 1 (2M) NORMAL PRESSURE

- 1. Stake all lines from choke manifold to pit.
- 2. Pressure test choke manifold after installation.
- 3. Pressure test manifold at the same time with the BOP Stack. Test manifold to the same test pressures.

TESTING PROCEDURI

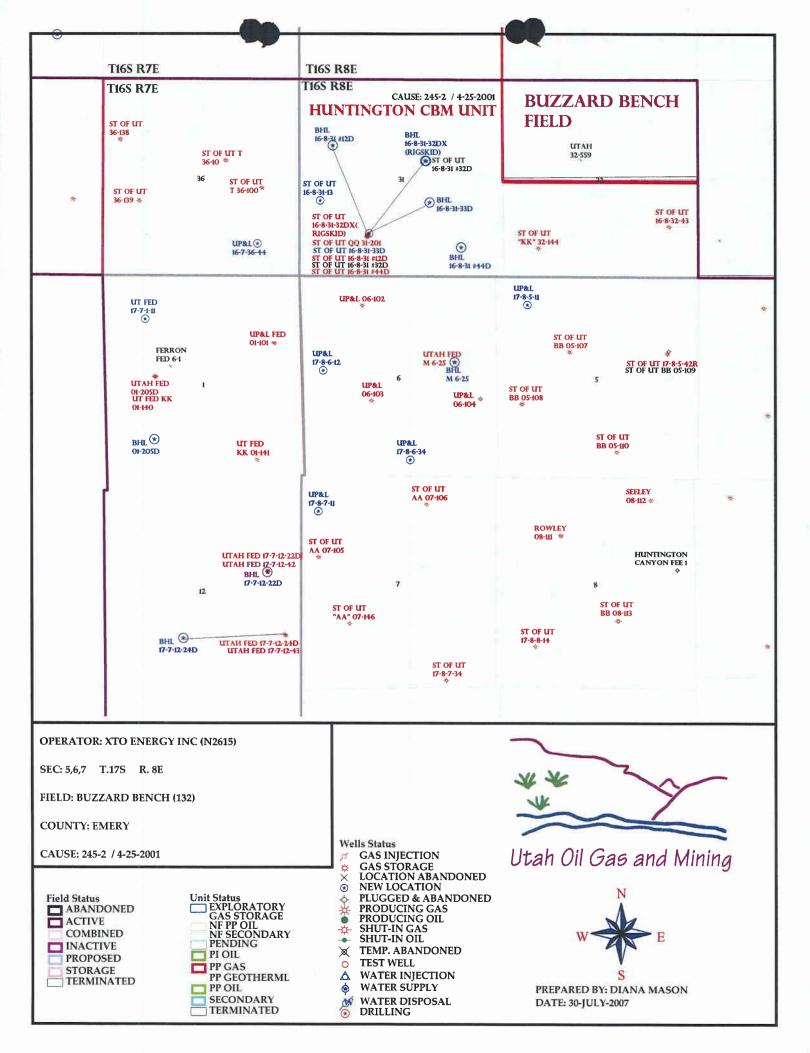








| APD RECEIVED: 07/26/2007 | P | API NO. ASSIG | NED: 43-01 | 5-30725 | | | |
|---|--|---|----------------------------------|----------|--|--|--|
| WELL NAME: UP&L 17-8-6-34 OPERATOR: XTO ENERGY INC (N2615) | PHO | ONE NUMBER: | 505-324-109 | 00 | | | |
| CONTACT: KYLA VAUGHAN | | | | | | | |
| PROPOSED LOCATION: SUSE 06 170S 080E | IN | ISPECT LOCATN | BY: / | / | | | |
| STSW 06 170S 080E SURFACE: 0461 FSL 2280 FEL | Te | ech Review | Initials | Date | | | |
| BOTTOM: 0461 FSL 2280 FEL | Er | ngineering | DRO | 10/27/07 | | | |
| COUNTY: EMERY | Ge | eology | | | | | |
| LATITUDE: 39.36784 LONGITUDE: -111.0663 UTM SURF EASTINGS: 494291 NORTHINGS: 43573 | 391 Su | ırface | | | | | |
| FIELD NAME: BUZZARD BENCH (132 |) | | <u> </u> | | | | |
| LEASE TYPE: 3 - State LEASE NUMBER: ML-48230 SURFACE OWNER: 4 - Fee | | OPOSED FORMAT ALBED METHANE | | SD | | | |
| Plat Bond: Fed[] Ind[] Sta[] Fee[] (No. 104312762) Potash (Y/N) Oil Shale 190-5 (B) or 190-3 or 190-13 Water Permit (No. MUNICIPAL) RDCC Review (Y/N) (Date:) Fee Surf Agreement (Y/N) Intent to Commingle (Y/N) | R649 Unit:_HUI R649 Siti R649 Dril Boa Eff | AND SITING: 2-2-3. NTINGTON CBM 2-3-2. Generally 460 From Qt 2-3-3. Exception Unit and Cause No: E Date: Ling: System of Colors 2-3-11. Dire | al r/Qtr & 920' I tion | Beting | | | |
| COMMENTS: Need Presita (08-15-07) | | | | | | | |
| STIPULATIONS: | EMENT | OF RAS | 15 | | | | |



Application for Permit to Drill

Statement of Basis

8/30/2007

Utah Division of Oil, Gas and Mining

Page 1

APD No API WellNo Status 469

Surf Ownr Well Type GW P

CBM No

43-015-30725-00-00 XTO ENERGY INC Operator

Surface Owner-APD

HUNTINGTON CBM

Well Name UP&L 17-8-6-34 Field

Unit Type of Work

BUZZARD BENCH SESW 6 17S 8E S Location 461 FSL 2280 FEL

GPS Coord (UTM) 494291E 4357391N

Geologic Statement of Basis

A review of the ground water resources for this location indicates that there are numerous points of diversion within a one mile radius of this well but no underground sources of water. A poorly to moderately permeable soil is developed on the Upper Portion of the Blue Gate Member of the Mancos Shale in the mouth of Huntington Creek Canyon. Huntington Creek lies about 1,500' to the northeast. It is likely that the well will penetrate several sand units of the Emery Sandstone Member of the Mancos Shale that have been saturated by recharge from the creek. A fresh water/spud mud drilling fluid program is proposed for the surface casing interval. The proposed surface casing and cementing program should protect any near surface aquifers encountered during drilling. Water bearing sandstones encountered in the Emery Sandstone Member of the Mancos Shale should be afforded the protection of casing and cement. This may require extending the surface casing.

Chris Kierst

8/30/2007

APD Evaluator

Date / Time

Surface Statement of Basis

On-site evaluation conducted August 15, 2007. In attendance: Bart Kettle-Division of Oil, Gas and Mining (DOGM), Ray Trujillo-XTO, Damien Jones-NGO, Chris Nielson-Nielson Construction, Glenn Pinterich-PacifiCorp Energy, Ray Peterson-Emery County and Allen Childs-Talon Resources. Invited and choosing not to attend: Ed Bonner-Trust Lands Administration and Jim Davis-Trust Lands Administration.

DOGM recommends that XTO Energy continue to coordinate with PacifiCorp Energy concerning surface use. Minimum of a 12 mil line will be required in reserve pit.

Bart Kettle

8/15/2007

Onsite Evaluator

Date / Time

Conditions of Approval / Application for Permit to Drill

Category

Condition

Pits

A synthetic liner with a minimum thickness of 12 mils shall be properly installed and

maintained in the reserve pit.

Utah Division of Oil, Gas and Mining

Operator

XTO ENERGY INC

Well Name

UP&L 17-8-6-34

API Number

43-015-30725-0

APD No 469

Field/Unit BUZZARD BENCH

Location: 1/4,1/4 SESW

Sec 6

Tw 17S

Rng 8E

461 FSL 2280 FEL

GPS Coord (UTM)

Surface Owner

Participants

Bart Kettle-Division of Oil, Gas and Mining (DOGM), Ray Trujillo-XTO, Damien Jones-NGO, Chris Nielson-Nielson Construction, Glenn Pinterich-PacifiCorp Energy, Ray Peterson-Emery County and Allen Childs-Talon Resources

Regional/Local Setting & Topography

Proposed project area is ~9 miles northwest of Huntington, located in Emery County Utah. Project site is surrounded by a series of sharp sandstone ledges cut by deep canyons along the eastern rim of the Wasatch Plateau. Drainages flow into Huntington Creek within a 3000 feet and eventually to the Green River 60 miles away. Project site is located in a 10-12" precept zone part way up the eastern slope of the Wasatch Plateau. Regionally agriculture lands are located along the valley floor 1 mile to the east, and the top of the Wasatch Plateau is 7 miles to the west. With the exception of the Skyline drive portions of the Wasatch Plateau, regionally the climate is arid rangelands dominated by Salt Scrub shrub lands and Pinion/Juniper woodlands. Soils in the region are generally poorly developed, and moderate too highly erosive. Locally the proposed project site lies within lands owned by PacifiCorp Energy within one mile of the Huntington Power Plant.

Surface Use Plan

Current Surface Use

Grazing

Wildlfe Habitat

New Road

Miles

Well Pad

Src Const Material

Surface Formation

0.25

Width 170

Length 260

Onsite

MNCS

Ancillary Facilities N

Waste Management Plan Adequate? N

Environmental Parameters

Affected Floodplains and/or Wetland N

Two dry wash crossings require 18-24" culverts.

Flora / Fauna

Flora

Grass: Crested wheatgrass, Siberian wheatgrass.

Forbs: None noted.

Shrubs: Rubber rabbit brush, four wing salt brush, Mormon tea and birch leaf mountain mahogany,

Trees: Utah juniper, two needle pinion pine.

Other: Harriman's yucca.

Fauna: Rocky mountain elk, mule deer, bobcat, cougar, raccoon, coyote, red fox use possible. Seasonal use by a host of song birds and raptors. Year long habitat for a host of small reptiles, mammals and birds.

8/30/2007



Sandy/clay/loam, many large sandstone fragments

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required N

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? N Paleo Potental Observed? N Cultural Survey Run? N Cultural Resources?

Reserve Pit

| Site-Specific Factors | | Site F | Ranking | | |
|---|------------------|-------------|---------|---|-------------------|
| Distance to Groundwater (feet) | >200 | | 0 | | |
| Distance to Surface Water (feet) | >1000 | | 0 | | |
| Dist. Nearest Municipal Well (ft) | >5280 | | 0 | | |
| Distance to Other Wells (feet) | 300 to 1320 | | 10 | | |
| Native Soil Type | Mod permeability | | 5 | | |
| Fluid Type | Fresh Water | | 5 | | |
| Drill Cuttings | Normal Rock | | 0 | | |
| Annual Precipitation (inches) | 10 to 20 | | 5 | | |
| Affected Populations | <10 | | 0 | | |
| Presence Nearby Utility Conduits | Not Present | | 0 | | |
| | | Final Score | 25 | 1 | Sensitivity Level |

Characteristics / Requirements

Closed Loop Mud Required? N Liner Required? Y Liner Thickness 12 Pit Underlayment Required? N

Other Observations / Comments

No comments received from Emery County. PacifiCorp Energy has requested that deer fence on the northern portions of the well pad be left in tact following the completion of the well pad.

Bart Kettle

8/15/2007

Evaluator

Date / Time

utah gov) Online Ser

Online Services) Agency List

it) Business

Utah Division of Water Rights

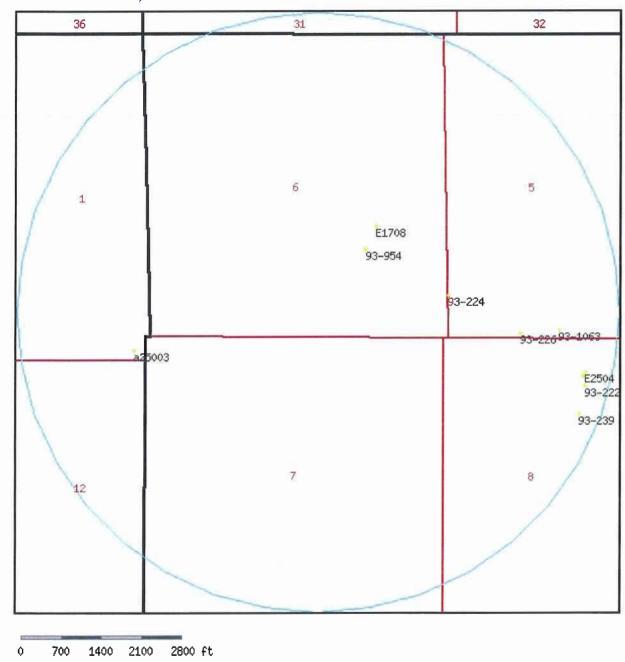
Search

WRPLAT Program Output Listing

Version: 2007.04.13.01

Rundate: 08/29/2007 05:30 PM

Radius search of 5280 feet from a point N461 W2280 from the SE corner, section 06, Township 17S, Range 8E, SL b&m Criteria:wrtypes=W,C,E podtypes=S,U,Sp status=U,A,P usetypes=all



Water Rights

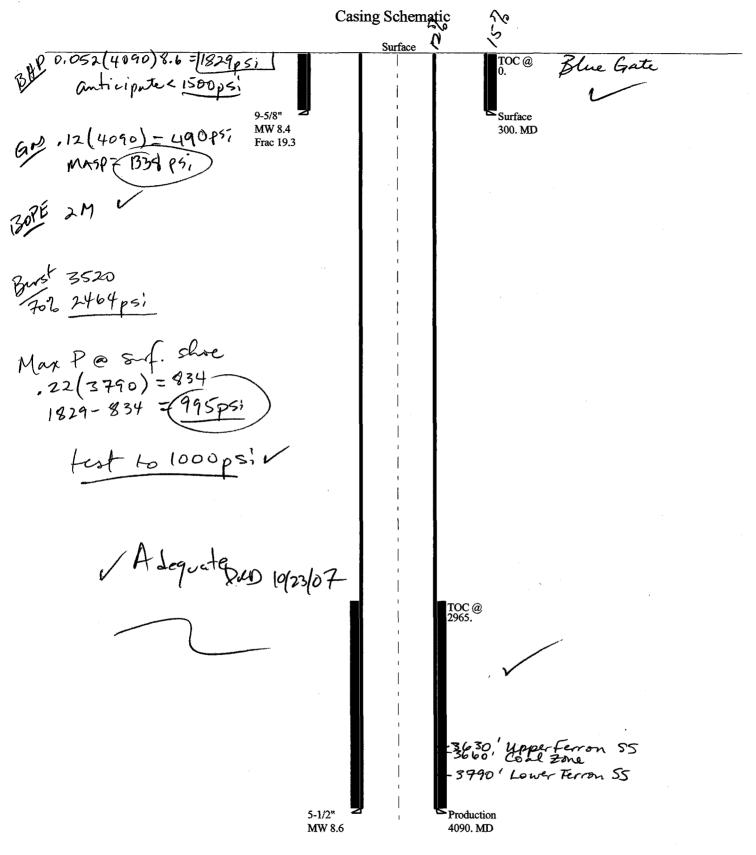
| WR Number | Diversion Type/Location | Well Log | Status | Priority | Uses | CFS | ACFT | Owner Name |
|----------------|--------------------------------|-------------|--------|----------|-------|---------|------------|---|
| 93-1063 | Surface | | U | 19610330 | DIS | 0.000 | 130800.000 | STATE OF UTAH BOARD OF WATER RESOURCES |
| | N165 W750 S4 05 17S 8E SL | | | | | | | 1594 WEST NORTH TEMPLE, STE 310 |
| 93-1140 | Surface | | A | 19220808 | I | 0.000 | 4000.000 | HUNTINGTON-CLEVELAND IRRIGATION COMPANY |
| | N1572 W1466 SE 06 17S 8E SL | | | | | | | PO BOX 327 |
| <u>93-221</u> | Surface | | P | 18750000 | DIMSP | 150.000 | 0.000 | HUNTINGTON CLEVELAND IRRIGATION COMPANY |
| | S840 E2480 NW 08 17S 8E SL | | | | | | | P.O. BOX 327 |
| 93-2211 | Surface | | P | 18790000 | ISP | 45.000 | 0.000 | HUNTINGTON CLEVELAND IRRIGATION |
| | S1320 W300 N4 08 17S 8E SL | | | | | | | C/O J. CRAIG SMITH & DAVID B. HARTVIGSEN |
| <u>93-2212</u> | Surface | | P | 18840000 | ISP | 77.250 | 0.000 | HUNTINGTON CLEVELAND IRRIGATION COMPANY |
| | S1320 W300 N4 08 17S 8E SL | | | | | | | P.O. BOX 327 |
| 93-2213 | Surface | | P | 18880000 | ISP | 80.000 | 0.000 | HUNTINGTON CLEVELAND IRRIGATION COMPANY |
| | S1320 W300 N4 08 17S 8E SL | | | | | | | P.O. BOX 327 |
| 93-2226 | Surface | | P | 18790000 | DIMSP | 45.000 | 0.000 | HUNTINGTON CLEVELAND IRRIGATION COMPANY |
| | S840 E2480 NW 08 17S 8E SL | | | | | | | P.O. BOX 327 |
| 93-2227 | Surface | | P | 18840000 | DIMSP | 77.250 | 0.000 | HUNTINGTON CLEVELAND IRRIGATION COMPANY |
| | S840 E2480 NW 08 17S 8E SL | | | | | | | P.O. BOX 327 |
| 93-2228 | Surface | | P | 18880000 | DIMSP | 80.000 | 0.000 | HUNTINGTON CLEVELAND IRRIGATION COMPANY |

| | S840 E2480 NW 08 17S 8E SL | | | | P.O. BOX 327 | |
|---------|-------------------------------|------------|--------------|---------------|---|----------|
| 93-2229 | Surface | P | 18790000 ISP | 45.000 0.000 | HUNTINGTON CLEVELAND IRRIGATION COMPANY | |
| | N760 0 SW 05 17S 8E SL | | | | P.O. BOX 327 | |
| 93-2230 | Surface | P | 18840000 ISP | 77.250 0.000 | HUNTINGTON CLEVELAND IRRIGATION COMPANY | |
| | N760 0 SW 05 17S 8E SL | | | | P.O. BOX 327 | |
| 93-2231 | Surface | P | 18880000 ISP | 80.000 0.000 | HUNTINGTON CLEVELAND IRRIGATION COMPANY | 4 |
| | N760 0 SW 05 17S 8E SL | | | | P.O. BOX 327 | • |
| 93-2232 | Surface | P | 18790000 ISP | 45.000 0.000 | HUNTINGTON CLEVELAND IRRIGATION COMPANY | |
| | N100 E1270 SW 05 17S 8E SL | | | | P.O. BOX 327 | |
| 93-2233 | Surface | P | 18840000 ISP | 77.250 0.000 | HUNTINGTON CLEVELAND IRRIGATION COMPANY | |
| | N100 E1270 SW 05 17S 8E SL | | | | P.O. BOX 327 | |
| 93-2234 | Surface | P | 18880000 ISP | 80.000 0.000 | HUNTINGTON CLEVELAND IRRIGATION | |
| | N100 E1270 SW 05 17S 8E SL | | | | C/O J. CRAIG SMITH & DAVID B. HARTVIGSEN | (|
| 93-224 | Surface | P | 18750000 ISP | 150.000 0.000 | HUNTINGTON CLEVELAND IRRIGATION COMPANY | |
| | N760 0 SW 05 17S 8E SL | | | | P.O. BOX 327 | |
| 93-226 | Surface | P | 18750000 ISP | 150.000 0.000 | HUNTINGTON CLEVELAND IRRIGATION COMPANY | |
| | N100 E1270 SW 05 17S 8E SL | | | | P.O. BOX 327 | |
| 93-239 | Surface | P | 18750000 ISP | 150.000 0.000 | HUNTINGTON CLEVELAND IRRIGATION | |
| 1-44 | rwrt6 waterrights utah gov | vlasi bind | | | | 08/29/20 |

| <u>93-954</u> | S1320 W300 N4 08 17S 8E SL Surface | A | 19620702 IS | 75.000 | 0.000 | C/O J. CRAIG SMITH & DAVID B. HARTVIGSEN USA BUREAU OF RECLAMATION PROVO AREA OFFICE |
|---------------|--|---|-------------|--------|---------|--|
| | N1565 W1430 SE 06 17S 8E SL | | | | | UPPER COLORADO REGION |
| <u>a25003</u> | Surface | A | 20001010 S | 0.000 | 1.000 | PACIFICORP AN OREGON CORPORATION |
| | N190 W182 SE 01 17S 7E SL | | | | | 1407 WEST NORTH TEMPLE SUITE 110 |
| <u>a25346</u> | Surface | A | 20010315 IS | 0.000 | 344.800 | HUNTINGTON-CLEVELAND IRRIGATION COMPANY |
| | S662 E2449 NW 08 17S 8E SL | | | | | P.O. BOX 327 |
| E1708 | Surface | A | 19800915 IS | 0.000 | 10.800 | PACIFICORP DBA UTAH POWER & LIGHT COMPANY |
| | S700 W1220 E4 06 17S 8E SL | | | | | ATTN: CARLY BURTON |
| E2504 | Surface | A | 19870326 M | 0.000 | 325.000 | CASTLE VALLEY SPECIAL SERVICE DISTRICT |
| | S600 E2480 NW 08 17S 8E SL | | | | | P. O. BOX 877 |

Natural Resources | Contact | Disclaimer | Privacy Policy | Accessibility Policy





Well name:

2007-09 XTO UP&L 17-8-6-34

Operator:

XTO Energy, Inc.

String type:

Location:

Surface

Emery County

Project ID:

43-015-30725

Design parameters:

Collapse

Mud weight:

8.400 ppg

Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor

1.125

Environment:

H2S considered? Surface temperature:

65 °F Bottom hole temperature: 69 °F

Temperature gradient:

1.40 °F/100ft

No

Minimum section length:

150 ft

Burst:

Design factor

1.00

1.80 (J)

1.80 (J)

1.60 (J) 1.50 (J)

1.50 (B)

Cement top:

Surface

Burst

Max anticipated surface

pressure: Internal gradient:

264 psi 0.120 psi/ft 300 psi

Calculated BHP

No backup mud specified.

Tension:

8 Round STC: 8 Round LTC: **Buttress:** Premium:

Body yield:

Tension is based on air weight. Neutral point: 263 ft Non-directional string.

Re subsequent strings:

Next setting depth: Next mud weight: Next setting BHP:

4,090 ft 8.600 ppg 1,827 psi 19.250 ppg

Fracture mud wt: Fracture depth: Injection pressure:

300 ft 300 psi

| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (Ibs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Internal Capacity (ft³) |
|------------|---------------------------|-------------------------------|-------------------------------|------------------------|----------------------------|----------------------------|---------------------------|-------------------------------|-------------------------------|
| 1 | 300 | 9.625 | 36.00 | J-55 | ST&C | 300 | 300 | 8.796 | 130.2 |
| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor | Tension Load (Kips) | Tension Strength (Kips) | Tension Design Factor |
| 1 | | 2020 | 15.431 | `30Ó | 3520 | 11.73 | 11 | 394 | 36.48 J |

Prepared

Helen Sadik-Macdonald

by: Div of Oil, Gas & Minerals

Phone: 801-538-5357 FAX: 801-359-3940

Date: September 11,2007 Salt Lake City, Utah

ENGINEERING STIPULATIONS:

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:

2007-09 XTO UP&L 17-8-6-34

Operator:

XTO Energy, Inc.

String type:

Production

Emery County Location:

Project ID:

43-015-30725

Design parameters:

Collapse

Mud weight: Design is based on evacuated pipe.

8.600 ppg

Minimum design factors: Collapse:

Design factor 1.125

Environment: H2S considered? Surface temperature:

No 65 °F

Bottom hole temperature: Temperature gradient:

122 °F 1.40 °F/100ft

Minimum section length: 368 ft

Burst:

Design factor

1.00 Cement top: 2.965 ft

Burst

Max anticipated surface

No backup mud specified.

pressure:

927 psi

Internal gradient: Calculated BHP

0.220 psi/ft

1,827 psi

Buttress: Premium:

Body yield:

Tension: 8 Round STC: 1.80 (J) 8 Round LTC:

1.80 (J) 1.60 (J) 1.50 (J)

1.50 (B)

Tension is based on air weight. Neutral point: 3,558 ft Non-directional string.

| Run | Segment | | Nominal | | End | True Vert | Measured | Drift | Internal |
|-----|----------------|--------------|--------------------|-------|----------|---------------|---------------|---------------|-------------------|
| Seq | Length (ft) | Size (in) | Weight (lbs/ft) | Grade | Finish | Depth (ft) | Depth (ft) | Diameter (in) | Capacity (ft³) |
| 1 | 4090 | 5.5 | 15.50 | J-55 | ST&C | 4090 | 4090 | 4.825 | 546.6 |
| Run | Collapse | Collapse | Collapse | Burst | Burst | Burst | Tension | Tension | Tension |
| Seq | Load | Strength | Design | Load | Strength | Design | Load | Strength | Design |
| | (psi) | (psi) | Factor | (psi) | (psi) | Factor | (Kips) | (Kips) | Factor |
| 1 | 1827 | 4040 | 2.211 | 1827 | 4810 | 2.63 | 63 | 202 | 3.19 J |

Prepared

Helen Sadik-Macdonald

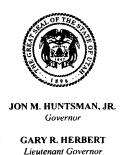
by: Div of Oil, Gas & Minerals Phone: 801-538-5357 FAX: 801-359-3940

Date: September 11,2007 Salt Lake City, Utah

ENGINEERING STIPULATIONS:

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.



State of Utah DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

October 25, 2007

XTO Energy, Inc. 2700 Farmington Ave. Farmington, NM 87401

Re:

<u>UP&L 17-8-6-34 Well, 461' FSL, 2280' FEL, SW SE, Sec. 6, T. 17 South, R. 8 East,</u>

Emery County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-015-30725.

Sincerely,

∕~Gil Hunt

Associate Director

pab Enclosures

cc:

Emery County Assessor

SITLA



| Operator: | XTO Energy, Inc. | | | | | |
|------------------------|------------------|--------------------|------------------|--|--|--|
| Well Name & Number | UP&L 17-8-6-34 | | | | | |
| API Number: | 43-015-30725 | | | | | |
| Lease: | ML-48230 | | | | | |
| Location: <u>SW SE</u> | Sec. 6 | T. 17 South | R. 8 East | | | |

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

- 24 hours prior to cementing or testing casing contact Dan Jarvis
- 24 hours prior to testing blowout prevention equipment contact Dan Jarvis
- 24 hours prior to spudding the well contact Carol Daniels
- Within 24 hours of any emergency changes made to the approved drilling program contact Dustin Doucet
- Prior to commencing operations to plug and abandon the well contact Dan Jarvis

The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

- Plugging and abandonment or significant plug back of this well contact Dustin Doucet
- Any changes to the approved drilling plan contact Dustin Doucet

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

Dan Jarvis at: (801) 538-5338 office (801) 942-0873 home
Carol Daniels at: (801) 538-5284 office

• Dustin Doucet at: (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

Page 2 43-015-30725 October 25, 2007

- 4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
- 5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

| ENTITY ACTION FORM | | | | | | | | | |
|--------------------|-----------------|----------------------|---------------------------------|--|--|--|--|--|--|
| Operator: | XTO ENERGY INC. | | Operator Account Number: N 2615 | | | | | | |
| Address: | 382 CR 3100 | | | | | | | | |
| | city AZTEC | | | | | | | | |
| | state NM | _{zip} 87410 | Phone Number: (505) 333-3100 | | | | | | |

184-16-4

| API Number | Well | Name | QQ | Sec | Twp | Rng | County |
|-------------|--------------------------|----------------------|------|---------|-----|-----|----------------------------------|
| 4301530725 | UP & L 17-8-6-34 | | SWSE | 6 | 17S | 8E | EMERY |
| Action Code | Current Entity Number | New Entity Number | S | pud Da | te | | ity Assignment Effective Date |
| KB | 99999 | 13161 | | 7/8/200 | 8 | 7 | 15/08 |

Comments: FRSD

state NM

| API Number | Pl Number Well Name | | QQ Sec Twp | | | Rng. County | | |
|-------------|---------------------------------------|--|------------|--|-------------------------------------|-------------|--|--|
| Action Code | Current Entity New Enti Number Number | | Spud Date | | Entity Assignment Effective Date | | | |
| Comments: | | | | | | | | |

| API Number | Wel | QQ | Sec | Twp | Rng | County | |
|-------------|--------------------------|----------------------|-----------|-----|-------------------------------------|---------|--|
| Action Code | Current Entity Number | New Entity Number | Spud Date | | Entity Assignment Effective Date | | |
| Comments: | | | <u></u> | | | <u></u> | |

ACTION CODES:

- A Establish new entity for new well (single well only)
- B Add new well to existing entity (group or unit well)
- C Re-assign well from one existing entity to another existing entity
- D Re-assign well from one existing entity to a new entity
- E Other (Explain in 'comments' section)

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Signature 7/11/2008 FILE CLERK Date Title

WANETT MCCAULEY

(5/2000)

STATE OF UTAH

| DEPARTMENT OF I | NATURAL RESOURCES | | |
|---|--|--|--|
| DIVISION OF OIL | L, GAS AND MINING | | LEASE DESIGNATION AND SERIAL NUMBER: 1L-48230 |
| SUNDRY NOTICES AN | | IF INDIAN, ALLOTTEE OR TRIBE NAME: | |
| Do not use this form for proposals to drill new wells, significantly deepe drill horizontal laterals. Use APPLICATION | pth, reenter plugged wells, or to | UNIT OF CA AGREEMENT NAME: IUNNINGTON CBM | |
| 1. TYPE OF WELL OIL WELL GAS WELL | OTHER | | WELL NAME and NUMBER: IP&L 17-8-6-34 |
| 2. NAME OF OPERATOR: XTO ENERGY INC. | | | API NUMBER: 301530725 |
| 3. ADDRESS OF OPERATOR: 382 CR 3100 CITY AZTEC | STATE NM ZIP 87410 | t t | FIELD AND POOL, OR WILDCAT: BUZZ BENCH/FERRON SS |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 461' FSL & 2280' FEL | | cc | DUNTY: EMERY |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE | 6 17S 8E S | | ATE: UTAH |
| 11. CHECK APPROPRIATE BOXE | ES TO INDICATE NATURE | OF NOTICE, REPORT, | OR OTHER DATA |
| TYPE OF SUBMISSION | | TYPE OF ACTION | |
| NOTICE OF INTENT | DEEPEN | | REPERFORATE CURRENT FORMATION |
| (Submit in Duplicate) ALTER CASING | FRACTUR | É TRÉAT [| SIDETRACK TO REPAIR WELL |
| Approximate date work will start: CASING REPAIR | NEW CON | STRUCTION [| TEMPORARILY ABANDON |
| CHANGE TO PREV | /IOUS PLANS OPERATO | R CHANGE [| TUBING REPAIR |
| CHANGE TUBING | PLUG ANI | ABANDON [| VENT OR FLARE |
| SUBSEQUENT REPORT CHANGE WELL NA | AME PLUG BAC | ;к [| WATER DISPOSAL |
| (Submit Original Form Only) CHANGE WELL ST | TATUS PRODUCT | TION (START/RESUME) | WATER SHUT-OFF |
| | DUCING FORMATIONS RECLAMA | TION OF WELL SITE | ✓ OTHER: SPUD |
| 7/8/2008 CONVERT WELL 1 | YPE RECOMPL | ETE - DIFFERENT FORMATION | |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATION | NS. Clearly show all pertinent details i | ncluding dates, depths, volumes, ef | tc. |
| XTO Energy Inc. spudded 20" conductor ho | | | |
| jts of 14" conductor pipe @ 160' & cemente | ed to surface w/200 sx Type | G cement. Cement fell b | back 6°. |
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| Dell'es a la sad | | | |
| Drilling ahead | | | |
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| NAME (PLEASE DRINT) WANETT MCCAULEY | | FILE CLERK | |
| NAME (PLEASE PRINT) WAINETT MICCAULET | 7. 1. | | |
| SIGNATURE WOULD TO COLUMN SIGNATURE WOULD SIGNATURE | MUNITY DA | 7/15/2008 | |
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STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES

| | DEPARTMENT OF NATURAL RESOU | | |
|---|--|--|--|
| | DIVISION OF OIL, GAS AND MI | INING | 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-48230 |
| SUNDRY | NOTICES AND REPORT | S ON WELLS | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A |
| Do not use this form for proposals to drill new drill horizontal late | w wells, significantly deepen existing wells below cur erals. Use APPLICATION FOR PERMIT TO DRILL I | rrent bottom-hole depth, reenter plugged wells, or to form for such proposals. | 7. UNIT or CA AGREEMENT NAME: |
| 1. TYPE OF WELL OIL WELL | | | 8. WELL NAME and NUMBER: UP&L 17-8-6-34 |
| 2. NAME OF OPERATOR: | | | 9. API NUMBER: |
| XTO ENERGY INC. | | | 4301530725 |
| 3. ADDRESS OF OPERATOR: 382 CR 3100 | AZTEC STATE NM ZIP | 87410 PHONE NUMBER: (505) 333-3100 | 10. FIELD AND POOL, OR WILDCAT: BUZZ BENCH/FERRON SS |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 461' FS | SL & 2280' FEL | | COUNTY: EMERY |
| | | NE 0 | |
| QTR/QTR, SECTION, TOWNSHIP, RANG | SE, MERIDIAN: SWSE 6 17S 8 | BE S | STATE: UTAH |
| 11. CHECK APPR | OPRIATE BOXES TO INDICAT | TE NATURE OF NOTICE, REPO | RT, OR OTHER DATA |
| TYPE OF SUBMISSION | | TYPE OF ACTION | |
| ☐ NOTICE OF INTENT | ACIDIZE | DEEPEN | REPERFORATE CURRENT FORMATION |
| (Submit in Duplicate) | ALTER CASING | FRACTURE TREAT | SIDETRACK TO REPAIR WELL |
| Approximate date work will start: | CASING REPAIR | NEW CONSTRUCTION | TEMPORARILY ABANDON |
| | CHANGE TO PREVIOUS PLANS | OPERATOR CHANGE | TUBING REPAIR |
| | CHANGE TUBING | PLUG AND ABANDON | |
| ✓ SUBSEQUENT REPORT | CHANGE WELL NAME | | VENT OR FLARE |
| (Submit Original Form Only) | | PLUG BACK | WATER DISPOSAL |
| Date of work completion: | CHANGE WELL STATUS | PRODUCTION (START/RESUME) | WATER SHUT-OFF |
| 7/31/2008 | COMMINGLE PRODUCING FORMATIONS CONVERT WELL TYPE | RECLAMATION OF WELL SITE RECOMPLETE - DIFFERENT FORMATION | ✓ OTHER: JULY '08 MONTHLY REPORT |
| 12 DESCRIPE PROPOSED OR COL | | | |
| | | pertinent details including dates, depths, volume | s, etc. |
| Attached is XTO Energy's r | monthly report for the period of 7 | 7/01/2008 thru 7/31/2008. | |
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| | | | DIV. OF OIL, GAS & MINING |
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| NAME (PLEASE PRINT) WANETT M | ICCAULEY | TITLE FILE CLERK | |
| SIGNATURE WOULT | t McCaul | M DATE 8/4/2008 | |
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7/1/2008 - 7/31/2008 Report run on 8/4/2008 at 11:58 AM

| UP & L 17-08- | 06-34 - Buzzards Bench, 06, 17S, 08E, Emery, Utah, , Orangeville, AFE: 712541 |
|---------------|---|
| | Objective: Drill & Complete a Ferron coal gas well |
| 7/9/2008 | Move in and rig up rat hole rig, Drill 20" conductor hole from GL to 100', Shut down for the night Move in rat hole rig, Drill 20" conductor hole from GL to 100', Shut down for the night |
| 7/10/2008 | Drill 20" hole f/100' to 110'. Open hole f/00' to 110' to 26" Drill 20" f/100' to 110'. Open up hole to 26" f/0' to 110' |
| 7/11/2008 | Drill 26" hole f/110' to 150'. Drill 26" hole f/110' to 150" |
| 7/12/2008 | Wait on drill string pipe. Wait on drill string pipe |
| 7/13/2008 | Drlg 26" hole, set 160' of 14" conductor pipe. Cmt conductor pipe. Drlg 26" hole, Run 160' of 14" conductor pipe, cmt conductor pipe f/160' to surface, cmt fell back 6'. Rig released to UP&L 17-8-7-11. Notified voice mail of Bart Kettle of Surface pipe and cmt jobs @ 17:34, 7-12-08. |
| 7/14/2008 | MIRU Pro Petro #5. Drlg 180' of 12 1/4" Hole, TD @ 340'. Ran 318' of 9 5/8" csg. Cmt 9 5/8" csg. W/Pro Petro Rig #5. Cmt w/200 sx, 40.1 bbl of 2% kcl, 1/41b Flocele Type "G" 15.5 ppg. RDMO Pro Petro #5, MIRU Elenburg #11. Drlg 180' of 12 1/4" Hole, TD @ 340'. Ran 318' of 9 5/8" csg. Cmt 9 5/8" csg. W/Pro Petro Rig #5. Cmt w/200 sx, 40.1 bbl of 2% kcl, 1/41b Flocele Type "G" 15.5 ppg. MIRU Elenburg #11. |
| 7/15/2008 | MIRU Elenburg #11, Weld wellhead, Nipple up, Pressure test, Rig up blouie line Notified Bart Kettle of BOP and Csg test, voice mail @ 18:00, 7-14- 08.Pressure test Bop, choke manifold, valves and csg 5 minute low @ 250 psi. 30 minute high @ 1000 psi. Repair 1 valve, successfull test. |
| 7/16/2008 | Rig up Blouie Line. Pick up BHA, Drlg Cmt. Drlg f/340' to 947'. Drlg w/Air Mist. 1800 cfm, 18 bph water, 5 gph soap, 5 gph corr inhib. Tag cmt @ 224'. Survey @ 509', 1.5 deg. |
| 7/17/2008 | Drlg f/947' to 1747', Trips for float sub. Surveys and work on Air Compequipment. Drlg w/Air Mist, 2200 cfm, 18 bph water, 5 gph soap, 5 gph corr inhib. Surveys @ 978', 1 deg and @ 1505, 1deg. |
| 7/18/2008 | Drlg f/1754' to 3094'. Trips for float sub. Surveys. Drlg w/Air Mist, 2200 cfm, 18 bph water, 5 gph soap and 5 gph corr. inhib. Surveys @ 2003', 1 deg, @ 2505' 1 1/4 deg. @ 3003' 2 1/2 deg. |

7/1/2008 - 7/31/2008 Report run on 8/4/2008 at 11:58 AM

Drlg f/3094' to 3791'. Trips for float sub. Survey. 7/19/2008 Drlq w/Air Mist, 2200 cfm, 18 bph water, 5 gph soap, 5 gph corr inhib. Survey @ 3530', 1 deg. Topped Ferron sand @ 3616' + or -. Notified Bart Kettle w/Utah Oil and Gas of 5 1/2' csq and Cmt jobs. Voice mail @ 08:00, 7-18-08. Drlg f/3791' to 3929'. Trip for bit @ 3890'. Ream f/3593' to 3890'. 7/20/2008 Drlg w/Air Mist, 2200 cfm, 18 bph water, 5 gpm soap, 5 gpm corr inhib. Drlg f/3929' to 4143'. Trip for float. Survey. Spot 70 bbl of 3% kcl. Lay 7/21/2008 down drlg pipe and BHA. Log w/Phoenix Survey. Run 5 1/2" Csg. Cmt w/Superior Well Service. Nipple down, set slips and cut off. TD @ 4143'. Loggers TD @ 4126'. Ran 94 jts 5 1/5" S-80, 17# ST&C Csg. Total 4133.77'. Set @ 4132' KB. Cmt w/ 225 sx of Super Coal Blend, Plug down @ 03:19, 7-21-08. Set 100k on pipe slips. Rig Released @ 06:00, 7-21-08.

STATE OF UTAH

| | С | | SE DESIGNATION AND SERIAL NUMBER: | | | | |
|----------|---|--|-----------------------------------|-----------|------------------------------------|-----------|---|
| | SUNDRY | 6. IF IN | NDIAN, ALLOTTEE OR TRIBE NAME: | | | | |
| Dor | not use this form for proposals to drill ne drill horizontal lat | 7. UNI | T or CA AGREEMENT NAME: | | | | |
| | OIL WELL | GAS WELL 🗹 OTHER_ | | | | | LL NAME and NUMBER: &L 17-8-6-34 |
| XT | ME OF OPERATOR: O ENERGY INC. | | | | | 430 | NUMBER: 1530725 |
| 382 | DRESS OF OPERATOR: CR 3100 | AZTEC STATE NM ZIP | 874 ⁻ | 10 | PHONE NUMBER: (505) 333-3100 | | ELD AND POOL, OR WILDCAT: ZZ BENCH/FERRON SS |
| | OCATION OF WELL DOTAGES AT SURFACE: 461' FS | SL & 2280' FEL | | | | COUNT | ry: EMERY |
| Qī | TR/QTR, SECTION, TOWNSHIP, RANC | ige, meridian: SWSE 6 17S 8 | Ε | S | | STATE | UTAH |
| 11. | CHECK APPR | ROPRIATE BOXES TO INDICAT | EΝ | ATURE | OF NOTICE, REPO | RT, O | R OTHER DATA |
| | TYPE OF SUBMISSION | | _ | | YPE OF ACTION | | |
| | NOTICE OF INTENT | ACIDIZE | | DEEPEN | | 닐 | REPERFORATE CURRENT FORMATION |
| | (Submit in Duplicate) | ALTER CASING | 片 | FRACTURE | | | SIDETRACK TO REPAIR WELL |
| | Approximate date work will start: | CASING REPAIR | | NEW CONS | | | TEMPORARILY ABANDON |
| | | CHANGE TO PREVIOUS PLANS | | OPERATOR | | ᆸ | TUBING REPAIR |
| V | SUBSEQUENT REPORT | CHANGE TUBING | | PLUG AND | | | VENT OR FLARE |
| | (Submit Original Form Only) | CHANGE WELL NAME | | PLUG BACK | | | WATER DISPOSAL WATER SHUT-OFF |
| | Date of work completion: | CHANGE WELL STATUS COMMINGLE PRODUCING FORMATIONS | | | ON (START/RESUME) ION OF WELL SITE | | |
| | 8/31/2008 | CONVERT WELL TYPE | | | TE - DIFFERENT FORMATION | 1 | OTHER: AUGUST '08 MONTHLY REPORT |
| | | DMPLETED OPERATIONS. Clearly show all period | | | | nes, etc. | |
| NAM | E (PLEASE PRINT) WANETT! | MCCAULEY | 1 | TITL | FILE CLERK | | |
| SIGN | IATURE Wand | th McCaule | y | DAT | 9/3/2008 | | |

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STATE OF UTAH

| I | DEPARTMENT OF NATURAL RESOUF DIVISION OF OIL, GAS AND MII | | 5. LEASE DESIGNATION AND SERIAL NUMBER: |
|---|--|----------------------------------|---|
| | | | ML-48230 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| SUNDRY | NOTICES AND REPORTS | S ON WELLS | N/A |
| Do not use this form for proposals to drill no drill horizontal la | 7. UNIT OF CA AGREEMENT NAME: HUNNINGTON CBM | | |
| 1. TYPE OF WELL OIL WELL | | | 8. WELL NAME and NUMBER: UP&L 17-8-6-34 |
| 2. NAME OF OPERATOR; | | | 9. API NUMBER: |
| XTO ENERGY INC. 3. ADDRESS OF OPERATOR: | | PHONE NUMBER: | 4301530725 10. FIELD AND POOL, OR WILDCAT: |
| 382 CR 3100 CITY | AZTEC STATE NM ZIP | | BUZZ BENCH/FERRON SS |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 461' F | 'SL & 2280' FEL | | COUNTY: EMERY |
| QTR/QTR, SECTION, TOWNSHIP, RAN | GE, MERIDIAN: SWSE 6 17S 8 | E S | STATE: UTAH |
| | ROPRIATE BOXES TO INDICAT | E NATURE OF NOTICE, REPO | RT, OR OTHER DATA |
| TYPE OF SUBMISSION | | TYPE OF ACTION | |
| NOTICE OF INTENT | ACIDIZE | DEEPEN | REPERFORATE CURRENT FORMATION |
| (Submit in Duplicate) Approximate date work will start: | ALTER CASING CASING REPAIR | FRACTURE TREAT NEW CONSTRUCTION | SIDETRACK TO REPAIR WELL TEMPORARILY ABANDON |
| Approximate date work will old to | CHANGE TO PREVIOUS PLANS | OPERATOR CHANGE | TUBING REPAIR |
| | CHANGE TUBING | PLUG AND ABANDON | VENT OR FLARE |
| ✓ SUBSEQUENT REPORT | CHANGE WELL NAME | PLUG BACK | WATER DISPOSAL |
| (Submit Original Form Only) | CHANGE WELL STATUS | PRODUCTION (START/RESUME) | WATER SHUT-OFF |
| Date of work completion: | COMMINGLE PRODUCING FORMATIONS | RECLAMATION OF WELL SITE | ✓ OTHER: 1ST DELIVERY |
| 10/2/2008 | CONVERT WELL TYPE | RECOMPLETE - DIFFERENT FORMATION | |
| | | | nes, etc. .m. on Thursday, 10/02/2008 with |
| | | | |
| NAME (PLEASE PRINT) WANETT | MCCAULEY | TITLE FILE CLERK | |
| SIGNATURE Ward- | tt McCaul | LY DATE 10/3/2008 | |
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STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES 5. LEASE DESIGNATION AND SERIAL NUMBER: DIVISION OF OIL, GAS AND MINING ML-48230 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: SUNDRY NOTICES AND REPORTS ON WELLS N/A 7. UNIT or CA AGREEMENT NAME: Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. 1 TYPE OF WELL 8. WELL NAME and NUMBER: GAS WELL 🔽 OIL WELL OTHER UP&L 17-8-6-34 2. NAME OF OPERATOR: 9. API NUMBER: XTO ENERGY INC. 4301530725 3 ADDRESS OF OPERATOR PHONE NUMBER: 10. FIELD AND POOL, OR WILDCAT: CITY AZTEC 71P 87410 **BUZZ BENCH/FERRON SS** 382 CR 3100 NM (505) 333-3100 4. LOCATION OF WELL FOOTAGES AT SURFACE: 461' FSL & 2280' FEL COUNTY: EMERY QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 6 17S 8E S STATE: **UTAH** CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 11. TYPE OF SUBMISSION TYPE OF ACTION **ACIDIZE** DEEPEN REPERFORATE CURRENT FORMATION NOTICE OF INTENT (Submit in Duplicate) ALTER CASING FRACTURE TREAT SIDETRACK TO REPAIR WELL Approximate date work will start; TEMPORARILY ABANDON CASING REPAIR NEW CONSTRUCTION CHANGE TO PREVIOUS PLANS **OPERATOR CHANGE TUBING REPAIR** CHANGE TUBING PLUG AND ABANDON VENT OR FLARE SUBSEQUENT REPORT WATER DISPOSAL CHANGE WELL NAME PLUG BACK (Submit Original Form Only) WATER SHUT-OFF CHANGE WELL STATUS PRODUCTION (START/RESUME) Date of work completion: COMMINGLE PRODUCING FORMATIONS RECLAMATION OF WELL SITE OTHER: SEPTEMBER '08 9/30/2008 MONTHLY REPORT CONVERT WELL TYPE RECOMPLETE - DIFFERENT FORMATION 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached is XTO Energy's monthly report for the period of 9/01/2008 thru 9/30/2008.

| NAME (PLÉASE PRINT) | WANETT MCCAULEY | | TITLÉ | FILE CLERK |
|---------------------|-----------------|-----------|---------------|------------|
| SIGNATURE | Wantel N | 10 Caulle | | 10/3/2008 |
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9/1/2008 - 9/30/2008 Report run on 10/1/2008 at 2:54 PM

Objective: Drill & Complete a Ferron coal gas well Rig Information: Mesa WS, 217,

9/16/2008

SICP 0 psig. MIRU JW WL. RIH w/dump blr & dmpd 10 gals 28 % HCL @ 3,748'. POH & LD dump blr. RDMO WLU. MIRU CAL FRAC frac crew. A. Ferron Coal perfs fr/3,663' - 3,750' dwn 5-1/2" csg w/1000 gals 15% HCL at 8 BPM & 20 psig. Form BD @ 34 bpm & 1750 psig. Frac Ferron Coal perfs fr/3,663' - 3,750' w/798 bbl slick wtr. 2,654 bbl DynAqua-1 frac fld carrying 119,068 lbs/gal 20/40 Brady sd & 81,640 lbs/gal 16/30 Brady sd. Last 81,680 lbs/gal 16-30 Brady sd ppd SiberProp coated. Frac Gradient 0.75. Flshd w/82 bbl Linear Gel, 3 bbls short. Sd conc 0.30 - 5.00 ppg. SICP 1,153 psig, 5" SICP 917 psig, 10" SICP 782 psig, 15" SICP 670 psig. ATP 1,585 psig. AIR 53 bpm. Max TP 2,074 psig. Max IR 60 bpm. Max sd conc 5.00 ppg. 3,763 BLWTR. RDMO CAL FRAC. SWI. Susp rpts to further activity.

9/18/2008

SICP 10 psig. Cont rpt for AFE # 712541 to D & C Ferron Coal. Fr/9-16-08 to 9-18-08. Ferron Coal fr/ 3,663' - 3,750'. PBTD @ 4,083'. MIRU Mesa WS Rig #217. BD well. ND frac vlv. NU BOP. TIH w/43 jts 2-7/8" new tbg (EOT @ 1,414'). SWI. SDFN. 3,763 BLWTR.

9/19/2008

SITP 0 psig, SICP 5 psig. Bd csg. PU & TIH w/68 jts 2-7/8" tbg. Tgd 430' of fill @ 3,653'. Ferron Coal fr/ 3,663' - 3,750'. PBTD @ 4,083'. Unable to estab circ w/200 BPW. TOH w/20 jts 2-7/8" tbg. SWI. SDFWE 3,963 BLWTR

9/22/2008

SITP 0 psig, SICP 0 psig. TIH w/20 jts 2-7/8" tbg. Tgd fill @ 3,653'. Ferron Coal fr/ 3,663' - 3,750'. RU swivel. RU Weatherford AFU & estb circ. Stg in hole & CO 8' sd bridge fr/3,653' - 3,661' & sd fill fr/3,998' - 4,083' PBTD (Tbg meas) w/14 jts 2-7/8" tbg. Circ well cln for 1 hr. RD AFU. RD swivel. TOH w/14 jts 2-7/8" tbg. EOT @ 3,653'. SWI. SDFN 3,963 BLWTR.

9/23/2008

SITP 245 psig, SICP 245 psig. Bd well. TIH w/14 jts 2-7/8" tbg. Tgd no fill @ 4,083' PBTD. PUH w/10 jts 2-7/8" tbg. EOT @ 3,800'. RU swb tls. BFL @ 1,500' FS. 0 BO, 200 BLW, 18 runs, 7 hrs FFL @ 1,500' FS, FCP 480 psig. RD swb tls. TIH w/10 jts 2-7/8" tbg @ 12:00 pm had 5' of fill. Tgd 5' of addl fill @ 4,078'. TIH w/10 jts 2-7/8" tbg @ 4:30 pm. Tgd no addl fill. TOH w/104 jts 2-7/8" tbg. SWI. SDFN. 3,763 BLWTR

9/1/2008 - 9/30/2008 Report run on 10/1/2008 at 2:54 PM

9/24/2008

SITP 190 psig, SICP 190 psig. Bd well. TOH w/20 jts 2-7/8" tbg. PU 2-7/8" x 30' OPMA, 2 jts 2-7/8" tbg, 2705 Cavins desander, 2-7/8" x 4' tbg sub & 2-7/8" SN. TIH w/pmp BHA, 7 jts 2-7/8" tbg, 2-7/8" x 10' tbg sub, 5-1/2"x 2-7/8" TAC & 109 jts 2-7/8" tbg. ND BOP. Set TAC @ 3,603'. Ld tbg w/2-7/8" donut tbg hgr in 15 K tens. SN @ 3,846'. EOT @ 3,967'. PBTD @ 4,083'. Ferron Coal perfs fr/3,663' - 3,750'. NU WH. PU & loaded Western pump 2-1/2" x 1-3/4" x 20' RHBC-DV pmp (XTO #154) w/1' X 1" stnr nip. TIH w/pmp, 1 - 1-1/2" x 25' sbs, 1 - 7/8" x 4' stabilizer rod, 3 - 1-1/2" x 25' sbs, 1 - 7/8" x 4' stabilizer rod, 4 - 1-1/2" x 25' sbs, 1 - 7/8" x 4' stabilizer rod, 82 - 3/4" skr d w/3 molded guides pr rod, 57 - 7/8" skr d w/3 molded guides pr rod & 1-1/4" x 30' PR w/1-1/2" x 18' PR lnr. Seated pmp. PT tbg to 1,000 psig w/12 BFW for 10". Tstd ok. Rlsd press. LS pmp w/rig to 500 psig. GPA. HWO. Unable RWTP surf equip not ready. RDMO Mesa WS rig #217. 3,776 BLWTR.



STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES 5. LEASE DESIGNATION AND SERIAL NUMBER: DIVISION OF OIL, GAS AND MINING ML-48230 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: SUNDRY NOTICES AND REPORTS ON WELLS N/A 7. UNIT or CA AGREEMENT NAME: Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. 8. WELL NAME and NUMBER: 1. TYPE OF WELL OIL WELL GAS WELL 🗸 OTHER UP&L 17-8-6-34 9. API NUMBER: 2. NAME OF OPERATOR: 4301530725 XTO ENERGY INC. PHONE NUMBER: 10. FIELD AND POOL, OR WILDCAT: 3. ADDRESS OF OPERATOR **BUZZ BENCH/FERRON SS** 382 CR 3100 AZTEC STATE NM 712 87410 (505) 333-3100 4. LOCATION OF WELL FOOTAGES AT SURFACE: 461' FSL & 2280' FEL COUNTY: EMERY QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 6 17S 8E STATE: UTAH CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 11. TYPE OF SUBMISSION TYPE OF ACTION REPERFORATE CURRENT FORMATION ACIDIZE NOTICE OF INTENT SIDETRACK TO REPAIR WELL FRACTURE TREAT ALTER CASING (Submit in Duplicate) TEMPORARILY ABANDON Approximate date work will start: CASING REPAIR NEW CONSTRUCTION CHANGE TO PREVIOUS PLANS OPERATOR CHANGE TUBING REPAIR VENT OR FLARE PLUG AND ABANDON CHANGE TUBING SUBSEQUENT REPORT WATER DISPOSAL PLUG BACK CHANGE WELL NAME (Submit Original Form Only) WATER SHUT-OFF CHANGE WELL STATUS PRODUCTION (START/RESUME) Date of work completion: OTHER: OCTOBER 08 RECLAMATION OF WELL SITE COMMINGLE PRODUCING FORMATIONS 10/31/2008 MONTHLY REPORT RECOMPLETE - DIFFERENT FORMATION CONVERT WELL TYPE 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Attached is XTO Energy's monthly report for the period of 10/01/2008 thru 10/31/2008. RECEIVED NOV 10 2008 DIV. OF OIL, GAS & MINING

DATE 11/5/2008

FILE CLERK

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EASE PRINT) JENNIFER M. HEMBRY

10/1/2008 - 10/31/2008 Report run on 11/4/2008 at 12:27 PM

UP & L 17-08-06-34 - Buzzards Bench, 06, 17S, 08E, Emery, Utah, , Orangeville,

AFE: 712541

Objective: Drill & Complete a Ferron coal gas well

Rig Information: Mesa WS, 217,

10/2/2008

The UP&L 17-08-06-34 was First Delivered to CDP at 12:30 p.m., Thursday, 10/02/2008. Initial rate 60 MCFD, FLWTP 158, SICP 239, ppg 207 BWPD, 3667

BLWTR.

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STATE OF UTAH AMENDED REPORT FORM 8 DEPARTMENT OF NATURAL RESOURCES (highlight changes) DIVISION OF OIL, GAS AND MININGIV. OF OIL, GAS & MINING 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-48230 6. IF INDIAN, ALLOTTEE OR TRIBE NAME WELL COMPLETION OR RECOMPLETION REPORT AND LOG N/A 1a. TYPE OF WELL: OIL 7 LINIT or CA AGREEMENT NAME GAS VIEL OTHER **HUNTINGTON CBM** b. TYPE OF WORK: WELL NAME and NUMBER: HORIZ. RE-ENTRY DIFF. RESVR. UP&L #17-8-6-34 OTHER 2. NAME OF OPERATOR: 9. API NUMBER: XTO Energy Inc. 4301530725 3. ADDRESS OF OPERATOR: 10 FIELD AND POOL, OR WILDCAT PHONE NUMBER: 382 CR 3100 STATE NM ZIP 87410 **BUZZARD BENCH/FERR SS** (505) 333-3100 GITY AZTEC 4. LOCATION OF WELL (FOOTAGES) 11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: AT SURFACE: 461' FSL & 2280' FEL SWSE 6 17S 8E S AT TOP PRODUCING INTERVAL REPORTED BELOW: 12. COUNTY 13. STATE AT TOTAL DEPTH: SAME UTAH **EMERY** 14. DATE SPUDDED: 16. DATE COMPLETED: 17. ELEVATIONS (DF, RKB, RT, GL): 15. DATE T.D. REACHED: READY TO PRODUCE 🗸 ABANDONED 7/8/2008 7/20/2008 10/2/2008 6594' GL 21. DEPTH BRIDGE PLUG SET: 18. TOTAL DEPTH: MD 19. PLUG BACK T.D.: MD 4.083 4.143 20. IF MULTIPLE COMPLETIONS, HOW MANY? * MD TVD 22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) 23 NO 🗸 YES [WAS WELL CORED? (Submit analysis) GR/CCL/CBL, CD, CN, DIG, NO 🗸 YES [WAS DST RUN? (Submit report) DIRECTIONAL SURVEY? NO 🔽 YES (Submit copy) 24. CASING AND LINER RECORD (Report all strings set in well) STAGE CEMENTER SLURRY CEMENT TYPE & CEMENT TOP ** HOLE SIZE SIZÉ/GRÁDE WEIGHT (#/ft.) TOP (MD) BOTTOM (MD) AMOUNT PULLED NO, OF SACKS VOLUME (BBL) SURF 26" 14" A25 36.75# 0 160 Ġ 200 0 SURF 12 1/4" 9.63" J-55 36# 318 G 200 2.362' 8 3/4" 5.5" S-80 17# 0 4,132 S.C. 225 25. TUBING RECORD SIZE DEPTH SET (MD) PACKER SET (MD) SIZE DEPTH SET (MD) PACKER SET (MD) DEPTH SET (MD) 2 7/8" 3,967 26. PRODUCING INTERVALS 27. PERFORATION RECORD PERFORATION STATUS FORMATION NAME TOP (MD) BOTTOM (MD) TOP (TVD) BOTTOM (TVD) INTERVAL (Top/Bot - MD) SIZE NO. HOLES FERRON COAL 3,750 3.663 3,750 0.41 75 Open Squeezed 3,663 (B) Squeezed Open (C) Open Squeezed Open Saueezed (D) 28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC. AMOUNT AND TYPE OF MATERIAL DEPTH INTERVAL 3.663' - 3.750' Acidized w/1,500 gals 15% HCL. Frac'd w/35,500 gals slickwater & 108,000 gals 20# Borate XL Gel carrying 119,000 lbs 20/40 Brady sd & 81,500 lbs 16/30 Brady sd, & 81,000 lbs 16/30 SiberProp. 30. WELL STATUS: 29. ENCLOSED ATTACHMENTS: DST REPORT DIRECTIONAL SURVEY ELECTRICAL/MECHANICAL LOGS GEOLOGIC REPORT Producing OTHER: SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION CORE ANALYSIS

(CONTINUED ON BACK)

(5/2000)

31. INITIAL PRODUCTION INTERVAL A (As shown in item #26) DATE FIRST PRODUCED: TEST DATE: HOURS TESTED: TEST PRODUCTION OIL - BBL: GAS - MCF: WATER - BBL: PROD. METHOD: RATES: 10/2/2008 0 60 207 **FLOWING** 10/2/2008 24 TBG. PRESS. CSG. PRESS. CHOKE SIZE: API GRAVITY OIL - BBI BTU -- GAS GAS/OIL RATIO 24 HR PRODUCTION GAS - MCF: WATER - BBL: INTERVAL STATUS: RATES: 158 239 INTERVAL B (As shown in item #26) DATE FIRST PRODUCED: TEST PRODUCTION OIL - BBL: WATER - BBL: TEST DATE: HOURS TESTED: GAS -- MCF PROD METHOD: RATES: CHOKE SIZE: TBG. PRESS. CSG. PRESS. API GRAVITY BTU - GAS GAS/OIL RATIO 24 HR PRODUCTION OIL - BBL: GAS - MCF: WATER - BBL: INTERVAL STATUS: RATES: INTERVAL C (As shown in item #26) DATE FIRST PRODUCED: TEST PRODUCTION | OIL - BBL: PROD. METHOD: TEST DATE: HOURS TESTED: GAS -- MCF WATER - BBI : RATES: → CHOKE SIZE: TBG. PRESS. CSG. PRESS. API GRAVITY BTU - GAS 24 HR PRODUCTION INTERVAL STATUS: GAS/OIL RATIO OIL - BBL: GAS - MCF: WATER - BBL: RATES: INTERVAL D (As shown in item #26) TEST PRODUCTION | OIL - BBL: DATE FIRST PRODUCED: TEST DATE: GAS - MCF: WATER - BBL: PROD. METHOD: HOURS TESTED: RATES: CHOKE SIZE: TBG. PRESS. CSG. PRESS. API GRAVITY BTU - GAS GAS/OIL RATIO 24 HR PRODUCTION OIL - BBL: GAS - MCF: WATER - BBL: INTERVAL STATUS: RATES: 32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.) TO BE SOLD 33. SUMMARY OF POROUS ZONES (Include Aquifers): 34. FORMATION (Log) MARKERS: Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries. Top (Measured Depth) Bottom Top Formation Name Descriptions, Contents, etc. (MD) (MD) EMERY SANDSTONE 474 1.667 LOWER BLUEGATE SHALE UPPER FERRON SANDSTN 3.626 3,796 LOWER FERRON SANDSTN 3,961 **TUNUNK SHALE**

35. ADDITIONAL REMARKS (Include plugging procedure)

| 36. | I hereby certify | / that the f | foregoing and | attached in | nformation is | complete and | correct as | determined fro | m ali availabi | a records. |
|-----|------------------|--------------|---------------|-------------|---------------|--------------|------------|----------------|----------------|------------|
| | | | | | | | | | | |

BARBARA NICOL NAME (PLEASE PRINT) SIGNATURE

FILE CLERK

11/24/2008

This report must be submitted within 30 days of

- completing or plugging a new well
- · drilling horizontal laterals from an existing well bore
- · recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests
- * ITEM 20: Show the number of completions if production is measured separately from two or more formations.
- ** ITEM 24: Cement Top Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to:

Utah Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax:

801-359-3940

Sundry Number: 62004 API Well Number: 43015307250000

| | STATE OF UTAH | | FORM 9 |
|--|--|--|---|
| ı | DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MININ | | 5.LEASE DESIGNATION AND SERIAL NUMBER: ML-48230 |
| SUNDR | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: | | |
| | posals to drill new wells, significantly de reenter plugged wells, or to drill horizonta n for such proposals. | | 7.UNIT or CA AGREEMENT NAME: HUNTINGTON CBM |
| 1. TYPE OF WELL Gas Well | | | 8. WELL NAME and NUMBER: UP and L 17-8-6-34 |
| 2. NAME OF OPERATOR: XTO ENERGY INC | | | 9. API NUMBER: 43015307250000 |
| 3. ADDRESS OF OPERATOR: PO Box 6501 , Englewood, | | HONE NUMBER: 7 Ext | 9. FIELD and POOL or WILDCAT: BUZZARD BENCH |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 0461 FSL 2280 FEL | | | COUNTY: EMERY |
| QTR/QTR, SECTION, TOWNSH | HP, RANGE, MERIDIAN: 16 Township: 17.0S Range: 08.0E Meridian | : S | STATE: UTAH |
| 11. CHECI | K APPROPRIATE BOXES TO INDICATE | NATURE OF NOTICE, REPOR | RT, OR OTHER DATA |
| TYPE OF SUBMISSION | | TYPE OF ACTION | |
| | ✓ ACIDIZE | ALTER CASING | CASING REPAIR |
| NOTICE OF INTENT Approximate date work will start: | CHANGE TO PREVIOUS PLANS | CHANGE TUBING | CHANGE WELL NAME |
| Approximate date work will start. | CHANGE WELL STATUS | COMMINGLE PRODUCING FORMATIONS | CONVERT WELL TYPE |
| SUBSEQUENT REPORT Date of Work Completion: | DEEPEN | FRACTURE TREAT | ☐ NEW CONSTRUCTION |
| 3/18/2015 | OPERATOR CHANGE | PLUG AND ABANDON | PLUG BACK |
| | PRODUCTION START OR RESUME | RECLAMATION OF WELL SITE | RECOMPLETE DIFFERENT FORMATION |
| SPUD REPORT Date of Spud: | REPERFORATE CURRENT FORMATION | SIDETRACK TO REPAIR WELL | TEMPORARY ABANDON |
| | | | WATER DISPOSAL |
| DRILLING REPORT | L TUBING REPAIR | VENT OR FLARE | |
| Report Date: | WATER SHUTOFF | SI TA STATUS EXTENSION | APD EXTENSION |
| | WILDCAT WELL DETERMINATION | OTHER | OTHER: |
| XTO Energy Inc. following: 3/18/20 meeting. SD PU & Pmp 5 bbls TFW. Presser, flshd w/40 to 2 hrs. RV | completed operations. Clearly show all performed an acid treatment of 15: MIRU acid pmp trk. Hold SI well @ 9:30 a.m. PT surf line mp 750 gl HCL 15% @ 3 BPM obl TFW. ISIP 0. RDMO acid power process with the second second sec | on this well per the pre acid job safety es 1000 psig, gd test. down TCA, 15 psi max mp trk. Left well SI for x 4.5 SPM. | Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY March 31, 2015 |
| NAME (PLEASE PRINT) Barbara Nicol | PHONE NUMBER 303-397-3736 | TITLE Regulatory Analyst | |
| SIGNATURE N/A | | DATE 3/31/2015 | |